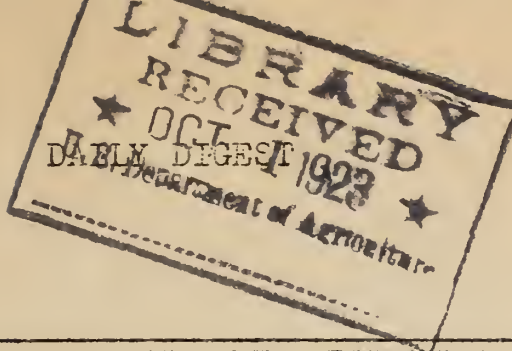


Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



October 1, 1923

Section 1.

Agricultural
Conditions

The Washington Post for September 30 says in an editorial: "Have the farmers of the United States practiced such rigid economy and endured such hardships not suffered by other elements of the population that they are entitled to special relief by legislation, involving perhaps large drains upon the Treasury and indirect contributions by all of the nonagricultural population? Are the farmers in a plight similar to those who have suffered from a great disaster? Or are they merely financially embarrassed, like all other Americans who have spent money a little recklessly for unnecessary but delightful accessories? The people would like to know what ails the farmers, and why they are in such bad condition that they appeal to the Government for aid. If their suffering is genuine, through no fault of their own, and if agriculture will suffer a terrible setback unless aided, then the people will gladly aid the farmers, and will not protest against the necessary discrimination which will give the farmers relief. Information, however, is necessary. The mere demand is not enough. The demand is made principally by self-appointed spokesmen of the farmers, who have been elected in granger States. We do not know whether they really voice the farmer's wishes or whether they have simply persuaded the farmer that if he will set up a cry of poverty the Government will increase the price of his wheat.

"The facts set forth by the Census Bureau do not warrant the assertion that the farmers have been any more economical than the rest of the population. Some of the agricultural States are notable for their extravagant taxation. Let Nebraska serve as an example.....The total per capita taxes paid by Nebraskans in 1922 amounted to \$46.02. The amount going to the National Treasury was \$10 per capita, but several millions of this revenue went back to Nebraska for drainage, irrigation, good roads, land grant colleges, and other public purposes. The Federal income taxes paid in Nebraska amounted to only \$5 per capita, or less than one-seventh of the amount of taxes imposed by the Nebraskans upon themselves. Yet they do not complain of their local taxes, but level their criticism against the 'Government' at Washington. During the last two years the 'Government' at Washington has reduced taxation by nearly \$2,000,000,000. The people in the States, counties, cities, and townships have increased their local taxes by about the same amount. The United States Government has been economical and has actually cut down taxation. The States, counties, cities, and townships have been extravagant, and their taxes are rapidly increasing. The voters themselves are to blame. In communities where the farmers preponderate they are to blame. They can not shift the blame to the National Government. The price of wheat has nothing to do with their extravagance. There is no apparent justification in the world situation, the national situation, or the local situation for the imposition of special burdens upon the urban population for the benefit of the farmers....."

Rail Consolidation

Railroad consolidation from the composite viewpoint of labor, agriculture and business, including transportation itself, will be considered in the report of the Railroad Consolidation Committee of the Chamber of Commerce of the United States, the final draft of which will be perfected at a meeting to be held in the board room of the chamber to-day. (Press, Oct. 1.)

562156
ag 11

305-311

Section 2.

Agricultural
Situation

Kansas City Weekly Star for September 26 says in an editorial: "So long as farmers remain unorganized they are helpless in transacting business with groups that are organized. The remedy lies in the farmer's hands and nowhere else. So long as he is looking about for someone voluntarily and without cost to lead him out of his difficulties, or for some sort of legislation that will right his economic wrongs, or to some politician who promises relief merely to get his vote, he will make little progress toward a better economic status. No one justifies the present wages of organized labor, but the laboring man without organization would be no better off than is the farmer now. And did the workingman look to someone else or to legislation for the redress of his wrongs or did he attend to that matter himself?"

Banking Situation

The Magazine of Wall Street for September 24 says: "Undoubtedly the banking situation is stronger and better to-day than it has been for a good while past. There are fewer 'frozen loans,' more genuine liquidity, and better distribution of credit. There is also, in the main, a fairly friendly attitude on the part of the community toward the banking institutions of the country. So the bankers may well feel satisfaction and assurance in their sessions. On the other hand, there have developed some serious elements of doubt and question which should furnish the basis for thought and should call for safeguards....We have on our statute books an unmistakably dangerous piece of financial legislation -- the Agricultural Credits Act of 1923. As yet, it is uncertain what will follow from that legislation, and it remains for the bankers to devote to the subject some very careful consideration. Our foreign financial relations remain unsettled and the appeal made by the association at its New York meeting last year has remained unanswered."

Cooperation in
Denmark

"The most striking feature of Danish agriculture is cooperation." So said the Danish Minister of Agriculture to the representatives of the British Dairy Farmers' Association, who have been touring Denmark and studying the methods which have brought success to their industry in that country... "Farmers in Denmark are Free Traders because they believe that open competition is the salt of production and trade. Artificial protection makes an expensive production; but never an advancing live production. The Danish farmers are freeholders. If they were not working on their own properties it would be impossible to create an agricultural activity as is common in Denmark. In few other countries has agriculture invested so much money in buildings, livestock, implements, and in the enrichment of the soil as in Denmark. But it all depends upon the fact that the farmer and his son have the feeling of security that they are working on their own land and for themselves, and always have the right to harvest where they have sown. In connection with freehold, the credit associations system must be mentioned. In some other countries there are only very small mortgages

on the farms, and the farmers have to pay in cash nearly the full value of the farm when starting. In Denmark possession requires only a comparatively small outlay, and the farmers' own money is, in a larger degree, available for the cultivation of the farm." (Saskatchewan News, September.)

Freight Rates

The Wall Street Journal for September 29 says in an editorial: "Goats are increasing in numbers and importance in the United States. On the farms of this country there are now about 4,000,000 yielding mohair, milk or meat. The Department of Agriculture rightly encourages the raising of these animals. There is one other kind in the United States of enormous value for shearing and milking or as a beast of burden. This is the well-known railroad goat....This goat is harnessed to supply the Nation's transportation, but it has a goat's chance of being adequately fed. In 1921 there was a reduction on the hay and grain rates of about 16 per cent west of the Mississippi and 10 per cent east of the river. The Secretary of Agriculture now comes forward and says that as one class of farmers, the wheat growers, have suffered this year, he would enforce a contribution for them and pay for it out of the starvation ration of the goat. Might it not be more sensible to begin with the shearers and the milkers, reducing their exactions and demands upon the strength of the animal and then see if it can perform its services as a draft animal with lessened feed? This would be common sense with any other animal and why not with the railroad?"

Hay Standardization

An Atlanta dispatch to the press of September 29 states that the Southwest Georgia Melon Growers' Association, of which J. J. Parrish, of Adel, Ga., is president, has started a movement to standardize the growing, baling and shipping of hay in South Georgia.

Honey Marketing in Canada

The Ontario Honey Producers' Cooperative Company was launched early in the summer under ideal conditions; there was no diversity of product; it could be easily handled and stored to advantage and distribution could be carried on through well established channels of trade. The three-year contract basis was adhered to and a seasonal pool established for each grade of honey and such a measure of success was encountered in the beginning that nearly 50 per cent of the total honey output of the Province was under control. Since that time new members have been added until to-day 60 per cent of the supply of commercial honey is under contract. A brand 'Beekist' has been chosen and registered while attractive labels will be used on all tins and glasses in an effort to popularize the use of honey. The members are allowed to do retail selling, even to distant points, but all such sales have to be reported to head office in a monthly statement. As the beekeeper's whole crop is signed over to the company to be sold in pool at wholesale rates, these retail sales are placed to his debit on head office accounts at wholesale prices, and the regular charge is made to cover overhead expenses.

The difference between wholesale and retail price goes to the beekeeper. (Canadian Farmer, Sept. 29.)

Marketing Grain for Export

The New York Commercial for September 29 says in an editorial: "A delegation of bankers called on the President the other day with a suggestion for the revival of the Grain Corporation... The function of the corporation during the war period was to distribute our wheat to the best advantage when the demand was in excess of the supply. The conditions under which it functioned do not prevail now. We have a supply in excess of demand, and it would mean that the Government, through this corporation, would go about in the world's market begging customers to buy. The only way they could do this would be to offer to sell wheat cheaper than anyone else, after having bought it from the farmers at a price high enough to satisfy them. It would mean that the Government would be in possession of the surplus wheat and would be directly subsidizing the farmers in exactly the same way as it was called upon to subsidize the shippers and against which the agriculturist interests fought so actively... It can be argued backward and forward, up and down, and crossways, but it all gets back to the same proposition, that the Government would have to buy wheat at a high price and sell it at a low price, while the difference was made up out of taxation- in other words, a subsidy to the farmers... If our Government were to enter the foreign markets on the basis of cut prices it would have to meet a competition that would at once result in demoralization of the world's wheat markets. If the plan is to extend huge loans to foreign buyers, it would mean the extension of foreign indebtedness instead of its curtailment. Our Government could only lend to foreign governments and not to foreign individuals. If we are to lend our money to foreigners so that they can buy our wheat, at a loss to ourselves, we might just as well take a short cut and pay the farmers a bonus and let it go at that."

Wheat Crop

The Daily Market Record for September 20 says: "There seems to be no question but that the United States is losing grip as the leading wheat country of the world. Other nations have vast areas that are virgin and more capable of producing heavy yields. These regions have been poorly served with railroads, but means are being furnished for the ready transportation of supplies to the seaboard and thence to the importing countries. Argentina is an example.... Corn can be successfully grown almost anywhere in the United States and we are very much behind requirements in the production of flax. Prejudice against the latter grain is still a detriment in the increasing of acreage. Experimental work will mean the loss of a lot of time for farmers and so they persist in planting wheat. They know that grain and not knowing other grains as well it is going to be hard to bring about any decrease in acreage in order to boost prices. Perhaps a new generation will have to come to the fore as farmers before the cereal requirements of the United States are given any thought in relationship to the requirements of the country."

Wheat Market Abroad The London Corn Circular for September 17 says: "The most prominent feature in the wheat market is still the demand for near-at-hand strong wheats, especially Manitobas. To an outsider it would appear strange to find the millers, whose profits have been thin enough in all conscience for many days, keenly competing for one type of wheat and neglecting numerous others, which are pressed for sale at between 5s. and 6s. per qr. less money. Competition between millers is so intense to-day that each must perforce endeavor to turn out as good and strong a flour as his neighbor, and however scarce strong wheats may be, all the millers want some of it to put a bit of backbone into their flour. Nor does this apply only to the town and port millers, for the country miller has become wedded to the practice of grinding a mixture of Manitoba and English, and is quite as insistent a buyer of No. 1 Northern as the most particular of his brethren in the ports... As far as London is concerned, the average of wheat has been over 122,000 qrs. per week and of flour 24,500 sacks. The latter is below the normal and the former is fully 20 per cent above estimated requirements, but as the last three months cover the period when English wheat supplies are mostly exhausted, London is able to absorb larger quantities of imported wheats than during the remainder of the year."

Section 3.

Department of
Agriculture 1

The Buffalo Express for September 27 says in an editorial: "Secretary Wallace of the Department of Agriculture has joined the ranks of those who would increase the tariff on wheat in order to help the wheat grower. From this one might come to the conclusion that Mr. Wallace is unaware of the fact that we export more wheat than we produce... Obviously, even if we raise the duty on wheat and wheat-flour so as to shut out all imports, we could not, for that reason, get more for the wheat and wheat flour we export... It merely would mean that the flow of wheat to the importing countries would be by different routes. We would handle still less of the Canadian grain, but it does not follow that there would be less Canadian grain for somebody else to handle. Building a wall half way across a stream doesn't dam the flow. If the current is swift enough the effect is only to form a new channel. There are possibilities of harm coming indirectly from a prohibitive tariff on wheat. Canada, at which country Mr. Wallace's attack is aimed, is our second best foreign customer. The Dominion buys all kinds of goods from us. But it can not, or will not, continue to buy heavily in this country if it is not permitted to sell here, for the balance of trade would run too strongly against Montreal. There is a strong sentimental preference for British-made goods already, and the movement would be accelerated if our policy added to the disadvantages of buying United States goods... It is inconceivable that Mr. Wallace, or even the orators who comprise the farm bloc,

are so obtuse as to fail to see that a duty on wheat is no remedy for the ills of the grain-grower. It is to be feared that they are acting without thought other than a feeling that they must 'do something'. They are apparently indifferent as to whether that 'something' is effective or wise."

Department of
Agriculture 2

The Florists Exchange for September 29 says in an editorial: "From the local press we learn of a public hearing to consider the advisability of quarantining Oregon, California, Colorado, Washington and Idaho to prevent the spread of the eelworm to other States, to be held at Washington, D.C., October 2. Webster says: 'public, pertaining to a nation, state, or community; belonging to the people; open; generally known; common to all, etc.' This public hearing on a local question of great importance, affecting Oregon, California, Colorado, Idaho and Washington, is to be held in a city 3,000 miles away from the States or community interested. Why is such a meeting not held in the communities likely to be affected by the decisions arrived at, and where they may be attended by members of the public interested, instead of in the office of Federal officials thousands of miles away? Have the taxpayers who pay these officials' salaries no say in such matters? How many residents of these local communities can afford to proceed to Washington, D.C., at their own expense and attend such hearings?"

Section 4.
MARKET QUOTATIONS.

Farm Products

For the week ended Sept. 29, 1923. Chicago hog prices ranged from 50 to 65¢ lower for the week. Beef steers, butcher cows and heifers generally 50¢ lower; feeder steers steady to 50¢ and veal calves \$1.25 to \$1.75 off. Fat lambs generally 75¢ to \$1.25 lower; yearlings 25 to 75¢ lower and fat ewes steady to 25¢ lower.

Wheat had firm undertone during the week and prices closed at net gains. Bullish factors were strength in corn, agitation for farmer relief, and reduced Canadian crop estimate.

Closing prices in Chicago cash market: No. 2 red winter wheat \$1.07; No. 2 hard winter wheat \$1.09; No. 2 mixed corn 91¢; No. 2 yellow corn 91¢; No. 3 white oats 42¢. Average farm price No. 2 mixed corn in Central Iowa 80¢.

Hay market remains generally firm because of light receipts and good demand. Farm work restricting country movement. Quoted Sept. 28: No. 1 Timothy, New York, \$29, Pittsburgh \$24.50, Memphis \$26, Cincinnati \$23.25, Chicago \$27, Minneapolis \$20, St. Louis \$24.50. No. 1 prairie, Minneapolis \$17.50, St. Louis \$16.50, Kansas City \$14.50.

Spot cotton prices declined 56 points during the week. New York October future contracts declined 63 points. (Prepared by Bu. of Agr. Econ.).

Section 1.

The President Hears The New York Times to-day reports: "President Coolidge
Farmers heard yesterday another side of the situation concerning the well-being of the farmers. For the past month he has been urged by senators, representatives, leading men in farm organizations and others to call Congress in extra session to enact legislation to relieve the agricultural communities of the ills from which they are said to be suffering. The drive has been especially emphasized in the interest of wheat growers, but arguments to the contrary were advanced to him yesterday. Among the President's callers were members of the executive council of the National Grange, headed by S. J. Lowell of New York, master. Mr. Lowell and his associates told the President they did not favor an extra session. Their view was that the present troubles of the farmers were due to economic causes which could not be righted by laws. The Grangers opposed the proposal of Representative Sidney Anderson endorsed by bankers from the Ninth Federal Reserve District, embracing Minnesota, North Dakota, South Dakota and Montana, that the present import duty of 30 cents a bushel on wheat be increased 50 per cent. The Grangers held that this would not have the effect expected of increasing the price of wheat to the grower.... J. O. Thompson of Birmingham, Ala., who came to tell the President of a forthcoming conference of cotton growers in Nashville, indicated that the South was not in sympathy with the extra session plan. The information given to the President yesterday was construed as indicating the soundness of his position that an extra session would be futile unless those concerned could agree in advance on a definite program of legislation which would bring practical relief to the farm situation."

World's Dairy More than 1,200 organizations are represented at the
Congress World's Dairy Congress, which convened at Washington to-day. H.E. Van Norman, president of the World's Dairy Congress Association, presided at the opening session. In his opening address to the delegates, President Van Norman said: "The present session of the World's Dairy Congress is the outgrowth of a long-existing wish to entertain in this country those of other lands who are contributing to the progress of the dairy science and industry. With the re-establishment of active work of the International Dairy Federation of Europe, we were happy to secure its cooperation. This Congress is not legislative in character, it has no authority to commit its delegates or the countries that they represent to any particular policy or course of action. It serves by bringing into wider use the best fruits of scientific research and by showing the part which science contributes to economic progress...."

Among those scheduled to address the Congress at to-day's sessions are:
The Secretary of State, the Secretary of Agriculture and the Secretary of Commerce.

Section 2.

Agricultural
Situation

The Journal of Commerce for October 1 says in an editorial:

1 "So many superficial remedies for the ills of the farmer, most of which plainly imply inaccurate diagnoses of these troubles, are being put forth by every Dick, Tom and Harry in the country that there is a chance of letting the real problems of the farmer be overlooked, or, at all events, of not giving them the consideration that they deserve. Lower freight charges on farm products, loose credit, sundry half baked expedients designed to stimulate exports to Europe all combined would do virtually nothing to correct the basic conditions that are at the bottom of the situation in which the farmer now finds himself. On the contrary, it is little less than certain that the net result would be harmful to the agricultural producer in the long run. As producer the farmer is overcapitalized, has not been able to get his operating costs down to the footing that would be well for him, and in several cases at least is suffering from overexpansion. As a consumer, he, in common with the rest of the community, is afflicted with excessive costs of almost everything included in his necessities of life. Important but somewhat less pressing at the moment is his lack of proper credit facilities. Of all the remedies -- and their name is legion -- that have been suggested in the past few months it would be difficult to name one which could be expected to aid in the correction of these fundamental ills. Either there is very widespread failure in Washington to understand the true inwardness of the agricultural situation or else few, if any, of the politicians there are sincerely interested in really befriending the farmer....The troubles of the farmer as consumer and his lack of sound and effective credit facilities are in great measure in the hands of the Federal Government, and so far there is no ground for supposing that anything whatever of an effective nature is in prospect in Washington to remedy the situation."

2

The Commercial and Financial Chronicle for September 29 says in an editorial: "At last we have it--the unfailing panacea, the remedy absolute--a farmers' bonus!....Senator Stanfield of Oregon says, according to a dispatch recently printed in the Baltimore Sun, that he will introduce a bill in the next Congress to distribute the profits of the United States Grain Corporation, made during and immediately after the war, to the present day farmers, pro-rated on the number of bushels sold from this year's wheat crop....But there are those who are unkind enough to suggest to the Senator that if he will investigate he will find that these 'profits' have already been spent, dissipated, and are simply non est. Others question the wisdom and justice of giving these accumulations, if found to exist, to present-day farmers. And some are coming to believe that the wheat farmer is not the only 'pebble on the beach'--and the returns of wheat production but a small fraction of the total agricultural output--pointing out, with ill-concealed scorn, that the returns of dairy farming

are several times that of wheat, to say nothing of the fact that corn is really king and is selling at high figures...It is more important that we analyze philosophically, if we may, this condition and state of the public mind, affecting really only a portion of the people, than that we consider, severally, these fantastic proposals. Minorities that steal away the rights of majorities, that flaunt the Constitution in our faces as obsolete, that inflame themselves in protest, are a growing menace to the Republic....Who is this farmer over whom the politician seems to have gone mad? We need not attempt statistical estimates and comparisons. We know that farmers are not the whole people; we know that in many ways they are the most independent factors in our economic system, in that they can 'make a living,' in the most literal sense; regardless of Europe's depression or America's labor-union oppression; we know that they are sober-minded and on second thought sound on commercial and industrial problems. A part of them, it is true, staring bankruptcy in the face, because of high priced lands and low-priced products, are easy prey to political subterfuges. But we predict that before another administration is finished, this whole 'farmer' excitement will blow up and vanish into thin air."

Cotton Financing in Texas

According to a Houston, Tex., dispatch to the press of October 1, the Intermediate Credit Bank of Houston will advance up to \$2,000,000 to the Texas Farm Bureau Cotton Association for the orderly marketing of cotton during the present season. The cotton of members of the association will be concentrated there. Between 175,000 and 200,000 bales probably will be pooled by the association.

Flax Tariff

A Minneapolis dispatch to the press of October 1 states that business and agricultural organizations in Minnesota are opposed to reduction or repeal of the tariff duty on flax or flax products. The Minnesota Farm Bureau Federation opposes tampering with the tariff and the Minneapolis Civic and Commerce Association has taken a similar stand. The attitude is that flax is one of the few really profitable crops Northwest farmers have.

Marketing the Wheat Crop

The New York Journal of Commerce for September 29 says in an editorial: "Two years ago, when the farming population felt that it was not getting the bank credit it needed, there was a demand to 'revive' the War Finance Corporation....Just what could the Grain Corporation do? It is expressly stated in dispatches from Washington that there is no disposition to ask the reestablishment of a fixed Government price for wheat. The Grain Corporation would simply 'control the distribution' of wheat in foreign and domestic markets. In the statement made to President Coolidge, the delegation says that 'we are not asking for a fixed or guaranteed price for wheat, nor are we in favor of such legislation. We are asking for price stabilization through an organization under governmental direction which will have the power

through cooperation on the part of the farmers to guide them each year in determining the amount of acres to be seeded.' As for credit, the committee adds that 'it is not more loans that the farmer needs but higher prices for his product.' This view of the case represents an unmistakable advance in the general philosophy of the farm situation....And yet the question remains how the corporation would exert its influence. It could not do so through compulsion, for we have not reached in this country a state of public opinion that would suffer the application of restraint in the cultivation of the soil. Plainly, then, the corporation could do its work only by buying and selling grain in large quantities. In fact, if that were not its function, there would be no use for it. Advice and suggestion as to seeding is afforded in plenty by the Department of Agriculture and by the local or State offices which are charged with similar duties. A Government Grain Corporation would, of course, as its history and name indicate, be serviceable in actual marketing arrangements, and upon the commercial side of the business, but could not be expected to undertake any activities in other directions more efficiently than they are now performed by the agencies that have them in charge. Where would such a revised corporation get its money? In the first instance, probably, from a Congressional appropriation. Yet this could be only a limited resort. The original Grain Corporation had to rely largely upon banking aid, and did so in no small measure through reliance upon acceptance credits, opened from time to time by groups of banking institutions. That there would be a renewal of this method of financing can not be questioned, and the result of it would be, of course, to transfer the burden of the financing to the banks. If such financing were primarily designed to 'carry' wheat, or hold it off the market, the result would be the same as if the individual farmers or cooperative associations of farmers had obtained bank credit for that purpose. The banks might be safer in holding the paper of a Government corporation, but the economic effect of their operations would be identical in the two cases. There is no warrant for putting the Government into the grain business any more than there is for putting it into the cotton trade or into any other branch of private enterprise. The farmers are right in their opinion that what is needed to-day is not more credit but is higher prices for grain. They are wrong in thinking that much help can be given through the manipulations of Government corporations chartered for the purpose of buying or trading in the product of the farm..."

Public Roads

A White Sulphur Springs, Va., dispatch to the New York Journal of Commerce for September 29 quotes John E. Walker, former tax adviser of the United States Treasury Department, as saying: "An interesting fact gleaned from a study of the data of the Bureau of Public Roads is that the funds expended for construction are greatly in excess of those devoted to maintenance, indicating a steadily growing capital investment in improved highways. It is surprising, too, to note that while studies prepared by the bureau indicate that most of the highway transport is carried on main State roads that more than half of the total highway fund is being turned back to county officials."

Rubber

"Must Americans pass through the throes of a speculative orgy akin to the rage for 'rubbers' or the craze for 'kaffirs' which afflicted our British cousins some twenty years ago, and not unlike the great waves of gambling in railroad, mining, industrial, and oil shares that often dislocated American finances within the past three decades? The pressing need of more rubber, the fear of an early shortage, the price-raising restriction of production in the Far East, and the widely heralded 'declaration of independence' made by some leading rubber manufacturers in the United States, coupled with the plausible claim that the bulk of America's rubber needs can be supplied from territory under the Stars and Stripes with much gain for the producers are beginning to stir the American imagination. Many people are sensing a chance to combine profit and patriotism through duplicating in the Philippines the achievements of the British rubber growers in Malaya and Ceylon; and should any of the plans for exploiting the rich resources of the former Spanish colony even partly succeed, some lively trading in American 'rubbers' would be almost inevitable." (The India Rubber World, Oct. 1.)

Russia Buying
Cotton

"Bankers accustomed to financing export shipments of cotton expressed interest September 28 in a cable dispatch from Moscow saying that M. Noguine, chairman of the textile trust, has been commissioned to regulate cotton importations from the United States and that arrangements have been made for a six months' credit to that organization. Russia has bought fair sized shipments of cotton intermittently within recent months, according to bankers here. One exporter is known to have sold 2,000 bales this week, which was shipped to Bremen for transshipment to Russia by railroad....." (Jour. of Commerce, Sept. 29.)

Taxes on Farms
and Railroads

The Wall Street Journal for September 27 says: "Right on this very subject of taxes, the farmers will find a part of the troubles of which they complain. There is one fundamental fact in all taxation which is not generally understood, or, if legislators do understand, they wilfully ignore it; that is, that the ultimate consumer always pays the tax. One of the principal joys of the State lawmakers is in compelling railroads to bear an undue proportion of taxes.... Taxes must always be figured in the fixed charges of any business and, therefore, are reckoned in the cost of the product, and those who use it pay the added cost. When farmers complain of high freight rates, they should look a little further and ask if the tax wasters are not adding to their burdens. Heavy taxation also, whether of railroads or business, always acts as a brake on development and progress. Society progresses only as industry and transportation develop. Laying heavy taxation on them penalizes the very forces which make for human progress upon which the well-being of the farmers depends. This is an economic law and man-made statutes never have been broad enough; they never can be made strong enough to prevent its workings. The result is the farmers pay a large proportion of the heavy income taxes and surtaxes now imposed by ignorant legislation."

Wool Sales in London A London dispatch to the press of October 1 states that some \$19,000,000 worth of wool was sold during the auctions just closed of which America took only a \$100,000 worth, in the form of 1,000 bales. The results obtained are considered quite good by the trade, when the large quantity offered, over 223,000 bales, is taken into consideration, together with the present state of trade in England as well as the political situation on the Continent.

Section 3.

MARKET QUOTATIONS

Farm Products

Oct. 1: Wheat advanced to new high on present upturn after small decline early. There was buying by strong commission houses which discouraged short selling but principal factor was strength in corn. Visible supply of wheat 63,932,000 bus. compared with 32,354,000 bus. last year. Visible supply of corn 2,052,000 bus. compared with 12,206,000 bus. last year.

Closing prices in Chicago cash market: No. 2 red winter wheat \$1.08; No. 2 hard winter wheat \$1.12; No. 2 mixed corn 93¢; No. 2 yellow corn 93¢; No. 3 white oats 43¢. Average farm prices: No. 2 mixed corn in Central Iowa 80¢; No. 2 hard winter wheat in Central Kansas 95¢.

Closing prices of 92 score butter Oct. 1: New York 47¢; Chicago 45¢; Philadelphia 48¢; Boston 47¢.

Long Island Green Mountain potatoes \$2.35 to \$2.65 bulk per 100 lbs. in New York and Philadelphia. Maine sacked and Bulk Irish Cobblers \$1.65 to \$2.15 eastern markets; \$1.05 to \$1.25 f.o.b. Northern Round Whites \$1.05 to \$1.15 in Chicago. Minnesota Red River Ohios 90¢ to \$1 in St. Louis and Kansas City; 65¢ to 75¢ f.o.b. New York cabbage, Domestic Round type, \$25 to \$35 bulk per ton eastern cities. Eastern onions, yellow varieties, \$3.25 to \$3.75 sacked per 100 lbs. top of \$4 in Boston; \$3 to \$3.25 f.o.b. Michigan Jonathans \$5.50 to \$6. in Chicago. New York Peaches, Elbertas, \$1.75 to \$2.25 per bushel basket, top of \$2.75 in New York City.

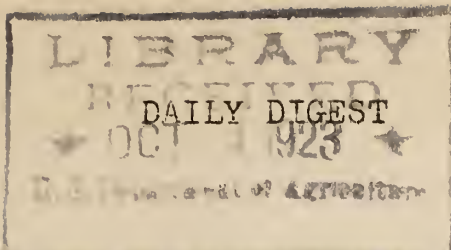
Chicago hog prices: top, \$8.40, bulk of sales \$7.40 to \$8.10; medium and good beef steers \$8. to \$11.75; butcher cows and heifers \$3.40 to \$10.80; feeder steers \$4.10 to \$8.50; light and medium weight veal calves \$7.75 to \$12; fat lambs \$11.50 to \$13.10; feeding lambs \$11.75 to \$13.25.

Spot cotton prices advanced 2 points, closing at 28.26¢ per lb. New York October future contracts advanced 6 points, closing at 28.68¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Oct. 1	Sept. 29,	Oct. 1, 1922
20 Industrials	88.06	87.89	97.61
20 R.R. stocks	78.83	78.33	90.76

(Wall St. Jour., Oct. 2.)



Section 1.

The President and Farmer Aid The New York Times to-day reports: "President Coolidge has decided to seek a remedy for the emergency confronting wheat growers without resort to Congress. His plan is to use existing agencies of the Government. To that end the President, it was said at the White House yesterday, will ask Eugene Meyer, jr., managing director of the War Finance Corporation, or Frank W. Mondell, a director of the corporation, or both, to make a visit to the western wheat-growing sections to assist wheat growers in the formation of cooperative marketing associations. It is the purpose of the administration to induce such associations to undertake the handling of wheat intended for export. There is reason to believe that such associations could be financed by private banking organizations in their sections, but the Government, through the War Finance Corporation and other agencies, will be ready, if necessary, to help finance exporting. The plan as now visualized by Government officials is to have cooperative marketing associations extend credit to farmers up to a certain percentage of their wheat crop and by obviating the need of selling under stress, dispose of the crop abroad in a steady flow consistent with demand. This method, it is held, will not tend toward price fixing, but will insure to the farmer as good prices as the market affords without subjecting him to selling at a heavy loss when prices are low....."

Dairy Congress In his address before the World Dairy Congress yesterday, Secretary Hughes is quoted by the press to-day as saying: "Your gathering directs attention to one of the most important aspects of international cooperation--that is, the exchange of the results of research, of information as to improved practices; in the bringing together of students, teachers and technical workers, the discoveries and experiences of investigators, of producers and distributors, in the better understanding of the economics of industry. Our different countries are not simply political units but great laboratories of human experimentation in the efforts to meet needs which are common to all communities."

Secretary Wallace told of the work which the Department of Agriculture is doing to improve conditions in the dairy industry, and emphasized the progress which the department is making in prevention of disease. Secretary Hoover, after outlining the proven value of milk as a foodstuff, declared that "from a nutritional point of view the world to-day is over producing bread grain and under producing dairy products and consequently, feed grains and other animal feeds." The effects of the war on the dairy industry in the United States and abroad were mentioned by Mr. Hoover, who asserted that both here and in Europe the industry is recovering from the difficulties which it encountered during the struggle.

Grain Shipments A Fort William, Ontario, dispatch to the press to-day states that lake shipments of all grains Saturday constituted a record for the season, totaling 2,599,000 bushels. Of this amount 1,317,000 bushels were carried in United States bottoms. Two of five boats loading in the harbor were American.

Section 2.

Agricultural
Situation 1

The Journal of Commerce for October 2 says: "Some Washington dispatches assert that the President has more or less definitely come to the conclusion that there is no need for the establishment of new agencies through which to extend aid to the farmer. This, as far as it goes, is unquestionably good news. But, of course, it would not be difficult to take action through existing agencies that would do serious injury to a good many in the community, the farmer himself included. The authorities in Washington owe it to the country to refuse to use the War Finance Corporation, the Federal Reserve Board or any other of the organizations in Washington to extend unwarranted aid to the farmer at the expense of the rest of the community. The same is, of course, true of the powers of Congress. Conversely, the powers that be should employ their energies vigorously to the end that reforms of a sound nature be instituted in order that the farmer, as well as other groups in the population, be given a better chance to prosper. It should never be overlooked that there is as much disposition in the Capital to sin by omission in this matter as there is danger of their sinning by commission. Few, if any, national questions have for the past year or two received less honest and intelligent attention from our legislators and other Government officials than this one. It is time that a complete 'about face' were executed."

2

The Wall Street Journal for October 2 says in an editorial: "To-day a congress of more than seven hundred delegates, representing forty nationalities and every continent, including Australia, will open its sessions in Washington. This is The World's Dairy Congress, whose work makes for human health, welfare and economic prosperity. This congress is of real importance and those who are now looking for a farm program may profitably consider its work. For months the country has been ringing with political declamations of the plight of the farmer. The administration has been called upon to lend its influence towards schemes for Government aid. Price fixing of products and other legislative extremes have been advocated, and a delegation of bankers last week called upon the President and other officials to enlist sympathy for the wheat growers of the Northwest, who admittedly are in a trying position. Contrast their position with that of the dairyman as shown by this extract from a recent edition of Hoard's Dairyman: 'The dairy farmer who has been wise in the selection of his cattle, wise in growing the right kinds of feeds for them, is in a better position to-day than at any time during the past twenty years.'....It is strange also that a great deal of the complaint of wheat farmers comes from sections of the country capable of growing five crops of alfalfa in a season and able to produce an abundance of other feed and forage crops. It looks as if instead of reduction of freight rates, artificial increase of prices or reviving activities of the War Finance Corporation, the farm problem is one of simple readjustment. The World's Dairy Congress should furnish a clue to what is necessary. If the wheat farmers are in a wilderness let them put a rope around the horns of the dairy cow, and trust her to lead them out."

Cooperation in
Britain

Herbert N. Casson, writing from London to The Philadelphia Ledger of October 1, says: "The outstanding fact at the moment in Great Britain is the sudden change that has taken place in the cooperative societies. These societies, which have 4,500,000 members, have recently taken a stand in opposition to trades unions and in favor of an international movement on communistic lines. It is now clear that the immense cooperative organization of Britain has been partly captured by the propagandists of the communist party. This is a serious fact, as fully one-quarter of the population of the British Isles is in these societies. The British cooperative movement is the biggest business organization in Europe. It has assets of nearly \$600,000,000. It has 290,000 employes and its total sales are \$1,650,000,000 a year. It is a federation of 1,300 societies, all linked together by the central Cooperative Wholesale Society, which owns and operates 100 factories, and all manner of agricultural enterprises. It has an insurance revenue of \$5,000,000 a year, and the total volume of business passing through its own banks last year amounted to \$2,600,000,000. For more than fifty years this great unwieldy organization has plodded along, paying dividends of about 10 per cent, and oblivious of all political and revolutionary movements. But now it has become so strong that it is daring to defy trades unionism; and it has become so rich that the Reds have determined to capture and control it...."

Forestry Policy

A proposed national forestry policy, drawn up by a special committee of the Chamber of Commerce of the United States, was put to a referendum vote October 2 of the more than twelve hundred business organizations making up the Chamber's membership. The committee's report was prepared after months of study of the forestry problem and contains eight specific recommendations on which the member organizations of the chamber are asked to ballot. The proposals call for both Federal and State action for the purpose of assuring a permanent future supply of timber. The recommendations to be voted on are as follows: I. That the Federal Government should, for protection of headwaters of navigable streams and to the extent permitted by existing law, acquire, reseed, and replant waste lands on which reproduction of forest growth can not be obtained by natural means, with discretion in the Secretary of Agriculture to prefer lands in states which provide at least an equal amount of funds for acquisition of such lands. II. That states and municipalities should acquire, reseed, and replant the remainder of such waste lands. III. That Congress should enact new legislation with reference to other classes of timberland, to make provision for cooperation of Federal Government, state governments, and timber owners in protection and reproduction of timber. IV. That such new Federal legislation should condition use of Federal funds upon the state: Having a forestry or conservation commission; Formulating a code of forest management acceptable to the Federal Department of Agriculture and aimed to secure continuous forest production, observance of the code to be obtained through voluntary agreements entered into between the proper public authorities and the land or timber owners



of considerable areas within the state; maintaining adequate protection of timberlands from fire, with funds coming from state and private sources at least equal to Federal funds used for this purpose; basing taxation of growing timber upon the principle of the yield tax, with reasonable uniformity among the states in such taxation. V. That Congress should create a national forest council to have functions of advice to administrative officials and a membership of nine, one to be the Federal Forester and the others to represent views of public, timber men, and foresters, members of the council to serve without remuneration. VI. That Congress should provide for a national survey and inventory of forest resources. VII. That Congress should increase the Federal appropriations available for protection of timber lands against fire. VIII. That Congress should provide for enlargement of Federal research and experiment in forest products. (Press statement, Oct.2.)

Wheat Rates

Providence Journal for October 1 says in an editorial: "The preliminary report of the Secretary of Agriculture on the wheat situation does not get at the bottom of the troubles of the wheat farmers of the West. The specific recommendation of an immediate reduction of twenty-five per cent in railroad rates on agricultural products to be exported does not promise relief, for carrying charges from the West to tidewater have practically nothing to do with the inability of the American farmers to sell their wheat abroad....Thus the wheat of the West is low in price for the reason that the supply is in excess of the demand....The further reduction of twenty-five per cent advised by the Secretary of Agriculture, it is estimated, would effect a saving of perhaps two cents a bushel, but two cents is not enough to placate the wheat farmers and it doubtless would have no effect upon the market in Europe....The President of the Lehigh Valley Railroad undoubtedly is right in saying that the 'troubles of the farmers are not of a transportation nature' and that 'if the railroads would handle wheat without charge the farmers would be no better off.' In other words, if the world wants wheat it will pay a fair price for it and nothing will be said about the freight tariff, but if wheat can not be used there will be difficulty in giving it away....The political remedies already tried have not put the price of wheat up, and there is no reason for believing that further action by the Government can induce the world to buy wheat which it is unable to consume. The wise course of the farmers is to reduce the acreage of wheat and use the land formerly reserved for that grain for the growing of other crops. It is not necessary for Congress to pass laws for the encouragement of diversification of crops or to draw on the Treasury of the United States in the hope of stopping the working of economic law."

Section 3.

Department of
Agriculture

The Journal of Commerce for October 2 says in an editorial: "There have been not a few who considered the Department of Agriculture's estimate of the acreage planted to cotton too high. This has an important bearing upon the question of the size of

future crops because if the acreage planted this year was not abnormally large the yield is not so small relatively as has been assumed and the condition of shortage can be remedied another year by an increase in the land planted. In other words, the short crop this year would be as much due to small planting as to weather or insect damage. There is practically no way of knowing whether the department's estimate was too high or not. Private organizations have not the funds at their disposal for the collection of such data. But clearly this factor should be taken into consideration before it is assumed that insects have gained such a foothold that we are never again to produce a maximum cotton crop. In the past a series of short cotton crops with accompanying high prices have always produced in their wake one or a series of larger crops. The price of cotton is now very close to 30c a pound. This would seem to be a high enough price, even taking into consideration the advance in the farmer's costs, to encourage the planting of a large crop next year. If it does there will be certain proof that at least we are not complete victims to the boll weevil."

Section 4.

MARKET QUOTATIONS.

Farm Products

Oct. 2: Wheat prices reached new high point on the 2nd but later sold off. Buying caused by expectation of legislative action to aid wheat farmers. Cash market firm. All deliveries of corn sold at new high prices for season. Closing prices in Chicago cash market: No.2 red winter wheat \$1.08; No.2 hard winter wheat \$1.12; No.2 mixed corn 95¢; No.2 yellow corn 95¢; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 83¢.

Long Island Green Mountain potatoes \$2.30 to \$2.60 bulk per 100 lbs. in New York and Philadelphia. Maine sacked and bulk Irish Cobblers \$1.50 to \$2 leading eastern markets; \$1 to \$1.15 f.o.b. New York cabbage, domestic round type, \$25 to \$30 per ton eastern markets; \$18 f.o.b. Eastern onions, yellow varieties, \$3.25 to \$3.75 sacked per 100 lbs.; \$3 to \$3.25 f.o.b. New York peaches, Elbertas, \$1.50 to \$2.25 per bushel basket consuming centers. Utah and Idaho stock \$2 to \$2.50. Eastern apples, Grimes and Jonathans, \$4 to \$5 per barrel eastern cities; \$4 to \$4.50 f.o.b. Eastern Shore of Virginia sweet potatoes, yellow varieties, \$2.50 to \$3.50 per barrel consuming centers.

Chicago hog prices 10¢ lower, beef steers 15 to 25¢ higher; veal calves 25¢ higher. Chicago prices: Hogs, bulk of sales \$7.20 to \$8.10; medium and good beef steers \$8.25 to \$12; butcher cows and heifers \$3.50 to \$10.85; light and medium weight veal calves \$8 to \$12.25; yearlings \$8.50 to \$11. Veal was \$1 to \$2 and pork loins \$1 lower at Boston; mutton weak to \$1 lower at New York. Prices good grade meats: Beef \$15 to \$17; veal \$18 to \$23; lamb \$21 to \$25; mutton \$12 to \$15; light pork loins \$22 to \$25; heavy loins \$14 to \$18.

Spot cotton prices declined 39 points, closing at 27.87¢ per lb. New York October future contracts declined 45 points, closing at 28.23¢. (Prepared by the Bu. of Agr. Econ.).



Section 1.

The President on the Tariff A dispatch from Denver to the press to-day states that President Coolidge, in a message read at the opening session of the Western Tariff Congress at Denver October 3, declared "the obvious necessity for maintaining a proper measure of protection to American industry and production in the face of chaotic industrial conditions following the war has unquestionably brought us nearer to a national solidarity on this issue."....Discussion of public tariff policies as they affect the progress and prosperity of the West; adoption of a plan to remove the tariff from partisan party politics; expression of opposition to revision of the present tariff act at this time, and organization of a permanent Western Tariff Association are objects of the meeting.

Repeal of Grain Futures Act Asked According to a Des Moines dispatch to the press to-day, abolition of the Federal Trade Commission, repeal of the Capper-Tincher act regulating grain exchanges and cancellation of the Federal tax imposed on grain transactions were demands made of Congress in resolutions at the closing session of the convention of the Grain Dealers' National Association at Des Moines October 3. Removal of the Federal tax on telephone and telegraph charges and reduced freight rates, when such action is possible without injuring the roads or impairing their service, also was recommended....The operation of the Capper-Tincher act, the convention asserted, "has proved the contention that practices of the grain exchanges are honorable and disproved assertions that they were inimical to agriculture."

The Dairy Congress In his address of welcome yesterday to the delegates of the World Dairy Congress, President Coolidge said: "Your presence here indicates that it has become a mainstay to commerce and it is a support to friendly international relationship. You do not come representing Governments; you come representing people. Commerce and industry are the interplay, the relationship, not between Governments, but between groups of different people....."

Aaron Sapiro, general counsel of the National Council of Farmers' Cooperative Marketing Associations, told the congress that the country was only beginning to realize the true purpose and importance of the cooperative movement. Using the butter market as an illustration, L.D.H. Weld, manager of the commercial department of Swift & Co., told the congress that it was a fallacy to suppose the cost of marketing a commodity depends on the number of middlemen who handle it. Dr. Cesare Longobardi recommended that all countries help to develop full statistics on milk, its production and products. He is head of the statistical section of the International Institute of Agriculture at Rome....The greater prosperity of dairying as compared with wheat growing was explained by Benjamin M. Anderson, jr., of New York, as due to the fact that American dairying is largely independent of foreign markets, the great bulk of its output being consumed at home. (Press, Oct. 4.)

Section 2.

Agricultural Aid

The Philadelphia Ledger for October 3 says in an editorial: "The National Grange and representatives of the general farmers and cotton planters of this country have bluntly rejected Federal aid. They neither need it nor want it, nor do they want a special session of Congress to undertake that vast and revolutionary farm-relief program that was being so loudly, insistently and continuously demanded ninety days ago.....It has not taken long for President Coolidge and his advisers to discover that the farmers do not know what they want and that great groups of them are in actual opposition to each other. The cotton-planters oppose the wheat men. So do the general farmers and most of the corn belt. The great farm groups are dividing over every relief scheme proposed. Some want a wheat tariff of fifty cents a bushel; others demand hands off the tariff. There is no farm program even if Congress met. Farmers and their more or less self-appointed spokesman can not agree upon any plan. A few want relief, but they can not say how much or in what form. The many are rejecting it and asking only to be left alone to work out their own salvation. What could Congress do about it if it were convened?....If Congress were to remain in session year in and year out for a decade, it could not make a good farmer out of a poor one, a beet-grower out of a wheat-raiser, stamp out the chinch bug, the Hessian fly and the red rust, or control hail, wind storms and tornadoes....."

Agricultural
Financing

Federal Reserve Bulletin for October says in its review of the month: "During the autumn months the primary concern of the banks of the country is to furnish credit and currency for harvesting and marketing the year's crop. This year the agricultural demand comes after a period of more than a year of credit growth arising from the the increased industrial and trade activity. Since midsummer of last year the banks have extended to commerce and industry a large amount of additional credit and the present volume of member bank credit in use is greater than ever before at this season of the year. The banks, particularly those in agricultural districts, are now meeting the additional demand for credit for crop marketing purposes through the use of funds released by liquidation of loans made during the growing season and through increased accommodation at the Federal reserve banks. Since the increased demand for credit during the year has been largely concentrated in the industrial districts, the banks in the agricultural districts are in a strong lending position at a time of the year when the demand upon them reaches its seasonal peak. The volume of credit required in financing the crop movement is affected by the total yield and the prices prevailing at marketing time, and these are also the factors that determine the year's return to the farmer. The advance in the prices of certain principal crops during the past two months has partly reflected the lower estimated yields, and these advances have been more than sufficient to offset in the total value the decline in expected output."

Canadian Grain
Shipment

A Winnipeg dispatch to Modern Miller for September 29 says: "The failure of American boats to report for duty at the Canadian head of the lakes this week to carry out the season's crop makes the trade very anxious and there is every prospect of congestion after a few weeks of the run from the prairies to the lake elevators. United States boats last season carried 117,000,000 bushels of wheat and 137,000,000 bushels of all grains, while the Canadian fleet carried away 107,000,000 bushels of wheat and 136,000,000 bushels of all grains. All this was from Port Arthur and Fort William. So far two United States boats have arrived in Fort William to carry out grain--and one more is to come.... With the steady refusal of American boats to come into Canada the supply of cargo space is small. The demand is steadily increasing. Hence the high bids offered by Canadian shippers at Fort William compared with the rate at Duluth. Farmers are getting less for their grain than if conditions were as normal as last year, grain men declare, and the agitation to place all vessels under Government control due to the high rates charged last year has not had the desired effect so far. The higher rates will be more marked as the season progresses.... It is clearly up to Canada to correct the mistake, vessel men say, before pressure becomes too high, which will be next month; if that is done there will be no difficulty in moving grain at reasonable rates. Canada wants the help of the United States but under impossible conditions. They should offer grain on the usual established terms and methods which have had official sanction for many years."

Cattle Dipping in
Georgia

A Quitman, Ga., dispatch to the press of October 1 says: "As goes Brooks County in regard to cattle dipping, so goes other counties in South Georgia -- that is, the unwritten but tentative agreement which seems to have been reached by cattle owners throughout the entire section, and all eyes are now centered upon the mass meeting of cattle men which is scheduled to take place Wednesday at the regular session of the county commissioners.... While the cattle owners are determined, yet there is nothing radical in their temper and they disclaim any intention of even threat of violence. They declare their mission will be in good humor and that they have no feeling in the matter of an unfriendly nature. As a matter of fact, those who are leading in the campaign for relief are representative citizens and are very sincere in their statement that after eight years without results, they see no reason why they should be further burdened. In adjoining counties the result of the situation here is being closely watched and it is generally understood that whatever is the result here will be accepted elsewhere as the plan of action."

Farmers and
Automobiles

The Southern Agriculturist for October 1 says: "A banker wrote us to say that farmers are buying too many automobiles, that they are straining the financial resources of the country to do it, and that if there is not a stop to the buying of cars by country people the country will be ruined. Wishing to know

what farmers themselves thought about the farm automobile, we asked them to write in and tell us. They did....The question as to whether the banker was right remains unanswered. It could not be definitely answered. The automobile has been a great factor in the making of a finer and more satisfactory country life. Its usefulness is not yet fully appreciated. Farmers are as much entitled to own automobiles as anyone else, and few classes of people can use them to greater advantage. At the same time, many have bought cars before they were able to buy, and many, it seems, have used the automobile to their own detriment. That is the case with every new convenience and every new means of pleasure. The man who neglects his crops to go riding down the road has but himself to blame if he finds himself at the end of the year with poor crops and a worn-out car."

Farm Prices

The Prairie Farmer for September 29 says in an editorial: "The steady gain in farm conditions is shown by the August index figures of the United States Bureau of Labor Statistics...Farm prices in August of this year were 11 points below the general average. A year ago the difference was 24 points. The gain this year was 13 points. A similar rate of gain for another year will bring the exchange value of the farmer's products up to par."

Fruit Freight Rates

The Pacific Rural Press for September 29 says in an editorial: "One grower told us recently that he shipped 37 carloads of plums East. They were a good variety, and well packed. He would have been \$6,000 better off if he had left them rot in the orchard. Another grower received back, we are told, a freight bill for \$1,900. The plums had not brought enough to pay the freight and icing. While these cases are extreme, we can not fail to realize the wartime prices for farm products have passed. If the price of the things the farmer buys, including labor, freight, and taxes declined correspondingly, there would be no complaint. It is manifestly necessary, if we are to sell fruit cheaper, that we cut every possible cost. On a crop of pears of 500 boxes to an acre, the cost of freight, loading and icing is over \$500 an acre! If ocean transportation can get fruit to market in equally good condition, and at a saving of 20 per cent to 40 per cent, then there would be a saving of from \$100 to \$200 an acre. At the State Fruit Growers' Convention held at Sacramento, December 12, 1922, Mr. E. M. Sheehan, president of the California Grape Growers' Exchange, said: 'The most fertile field in the world for the development of waterway service is right here on the west coast of the United States, where nearly three million tons annually of perishable products are awaiting transportation to the large consuming centers of our own country and to other countries.'"

Japanese Conditions

New York Commercial for October 3 says: "A brief survey at this time should help to better understanding of conditions to-day in Japan and of its probable future. Silk is the only factor in its agricultural products which was in any way affected

by the disaster, all the other crops are bumper ones, ample to meet the food situation. Of silk, only one month's production was lost, and this loss will not be seriously felt until the present crop of cocoons are finished, and this will not be before May or June of next year. The manufacturing industries have not been at all seriously affected because, with few exceptions, they are located outside of the earthquake area, and as the Japanese are a proud and industrious people, it is expected that they will gladly work longer hours and more intensively to recover their losses and to the extent that it is possible they will consume less."

Labor on Farms

The Daily Drivers Journal-Stockman for September 29 says: "Census figures of 1920 show over one million children between 10 and 16 years of age gainfully occupied. Of these children more than 60 per cent were engaged in agriculture and related occupations. From the standpoint of numbers at least, the most important form of children's work is farm labor. These numbers are the more striking when we realize that this census was taken in winter when farm work makes its lightest demands. A better idea of the real number of farm-working children can be obtained from the 1910 census, taken in April instead of January, which showed almost a million and a half boys and girls between the ages of 10 and 16 engaged in farm work. But the 1920 figures are large enough to attract our attention. They become still more significant when we learn that the census takers did not count farm children as workers if they were merely doing chores in the house or on the farm, even though they were not going to school... Farm work is an important form of child labor not only from the standpoint of numbers, but also because of its effect on children's education. States with the highest percentages of children farm laborers are the states which have the lowest percentages of school attendance and the highest percentage of illiteracy. The census has shown this both in 1910 and 1920...The problem of assuring an education to farm children is a serious one. Improvement of economic conditions for the farm is an important preliminary step in the solving of this problem. Improvement of the rural schools is another. There must be more practical agricultural instruction, better-paid teachers, and better equipment, so that children will not be withdrawn because they seem to make little progress. And because parents who do not always see the value of education for their children there must be enforcement of the compulsory education laws."

Living Standards

Drivers Journal-Stockman for September 28 says in an editorial: "According to Secretary of Agriculture Wallace one of the most regrettable results of the recent depression in agriculture has been a perceptible lowering the standard of living on the farm....While there can be little doubt that farmers as a rule are economizing more than they were in the years immediately following the war, it does not necessarily follow that their standard of living has been radically reduced. Some expensive

luxuries have been cut out but it is open to question whether the same standards of living on the American farm have been injuriously affected by the necessary economies of the past few years. One thing seems reasonably clear....If farmers were hard up and hungry it would be more rational to look for increased slaughtering of hogs at home for food. In preferring packer cured meats the farmers may be consulting either convenience or economy or both. It would be nothing short of a national calamity if the American farmer should be compelled by circumstances to live as the peasants of Europe live. This must never be. The standard of living on the American farm has been improving steadily for more than two centuries and it is inconceivable that there should be any permanent backward step in the present generation....."

Section 3.
MARKET QUOTATIONS.

Farm Products

Oct. 3: Wheat trade active on the 3rd, with sentiment more bullish. Cash demand active and prices up with futures. Movement from country light. All deliveries of corn sold at new high points. Cash corn sold above \$1, the best price since October 1920 when cash corn touched \$1.10. Closing prices in Chicago cash market: No. 2 red winter wheat \$1.11; No. 2 hard winter wheat \$1.15; No. 2 mixed corn \$1; No. 2 yellow corn \$1; No. 3 white oats 43¢. Average farm price No. 2 mixed corn in Central Iowa 87¢.

Beef steers, butcher cows and heifers and stockers and feeders strong to 15¢ higher; veal calves 25 to 50¢ up. Chicago prices: Hogs, bulk of sales \$7.20 to \$8.20; medium and good beef steers \$8.40 to \$12; feeder steers \$4.40 to \$8.65; light and medium weight veal calves \$8 to \$12.25; fat lambs \$11.50 to \$13.25; yearlings \$8.50 to \$11; fat ewes \$3.75 to \$6.75.

Long Island Green Mountain potatoes sacked and bulk \$2.30 to \$2.65 per 100 lbs. in New York and Philadelphia. Northern Round Whites \$1.50 to \$1.65 in Pittsburgh and Cincinnati; 90¢ to \$1.15 in Chicago. Eastern apples, Grimes \$3 to \$4.50 per bbl. in Philadelphia and Baltimore. Midwestern Jonathans \$5.25 to \$5.75. New York cabbage, domestic round type, \$25 to \$35 bulk per ton eastern markets; \$17 to \$18 f.o.b. New York peaches, Elbertas, \$1.75 to \$2.25 per bu. city markets. Eastern onions, yellow varieties, \$3.50 to \$3.75 sacked per 100 lbs.

Butter markets firm. Trading fairly active and supplies well cleaned up. Closing prices, 92 score: New York 47¢; Philadelphia 48¢; Boston 47 1/2¢.

Hay market remains generally firm because of light receipts. Good demand for No. 1 timothy. Feed markets continue dull and depressed. Oil meals quiet and in plentiful supply. Production most feeds good. Movement fair.

Spot cotton prices advanced 34 points, closing at 28.22¢ per lb.; New York October future contracts advanced 37 points, closing at 28.60¢. (Prepared by Bu. of Agr. Econ.)

Section 1.

Farmers Give President Views The Philadelphia Ledger to-day presents the following synopsis of the interview given by President Coolidge yesterday to the legislative committee of the American Farm Bureau Federation: "First and foremost on the ambitious legislative program of the powerful farm organization is the leasing of Muscle Shoals by the Government to Henry Ford, who has promised to manufacture cheap fertilizer. While there was nothing impudent or autocratic in the demands of the farmer body for action on the Ford offer, it gave plain warning of what it intended to do through its well-organized lobby.....The farmers will be behind the selective immigration law, proposed by Secretary Davis, with the provision that passports shall be vised at ports of embarkation. They believe the quotas should be based upon the number of foreign-born in America in 1890 instead of 1900, as at present under the 3 per cent law. In discussing the question of taxation the President was reminded the farmers would insist upon an excess profits tax if more revenue needs to be raised. They are still opposed to a general sales tax and told Mr. Coolidge they would take a referendum on a soldiers' bonus. The farmers are against an increase in wages unless it can be demonstrated that the efficiency of labor has been increased through mechanical devices. They told the President it was time to call a halt on the advance of wages under any other conditions. The farmer representatives opposed Government fixing of prices on agricultural products, and agreed with the President that no extra session of Congress was needed to deal with the farmers' problems. At the same time, they told of the great discrepancy between the farmers' buying power and that of the other groups. The buying power of wheat, compared with the 1913 level, as expressed in all other commodities, is only seventy-two cents, while cattle are about sixty-five cents and hogs sixty cents.....They urged the enactment of laws providing for crop insurance and warned the President that a heavy bombardment of Congress for the passage of a truth-in-fabric act would start in December....The continuation of highway construction under the present program was urged. Other questions on which the farm bureau will soon take a referendum are reparations, the question of farmers exchanging agricultural products produced in this country for supplies purchased abroad, obtaining thereon the same favorable tariff terms now enjoyed by other buyers of raw materials in foreign countries."

Meyer Testifies on Failure of the Federal Reserve System to recruit State banks
Reserve Banks in the agricultural districts was one of the fundamental causes of the financial difficulties in 1920 and 1921, Eugene Meyer, jr., director of the War Finance Corporation, said yesterday before the Joint Congressional Committee inquiring into the causes of the failure of State banks to enter the Reserve System. Mr. Meyer said that of the total funds advanced by the War Finance Corporation to banks to aid agriculture 77½ per cent went to eligible and non-eligible State banks and the remaining 22½ per cent to national banks. (Press, Oct. 5.)

Section 2.

Canadian Cattle

Exports

The Scottish Farmer for September 22 says in an editorial: "Naturally, one from Great Britain anticipates that much will be heard of the exports of cattle from Canada to the United Kingdom. This anticipation is not realized. Few people seem to take interest in the question. Outside of certain political circles, one would almost conclude that the question does not count. Conversing with a Winnipeg gentleman, who has shipped cattle to Scotland, it was easy to discover a note of disappointment in his remarks. The business, so far, has not paid, and there is no prospect of any profit in it, unless transport rates are drastically reduced. Even then, an easing of the United States tariff on Canadian store cattle would at once put an end to any export of stores from Canada to Great Britain. The net result, so far, of the lifting of the embargo (so-called) would seem to be, to give additional employment to political agents on the Canadian side, and to reduce in measure the price of store cattle in Great Britain, without making the export of these from Canada a profitable business to the Canadians....It is stated that the Grain-Growers Cooperative organization in the North West, known popularly as 'The Pool,' handles 25 per cent of the cattle coming into Winnipeg market, 30 per cent of those coming into Calgary, and 45 per cent of those coming into Edmonston. The Northwest farmer is as eager to curtail the activities of the middlemen as is any member of the N.F.U. in Scotland."

Canadian Wheat

Commenting upon the Canadian Government's estimate of 477,000,000 bushels of wheat, or 78,000,000 more than during any previous year, the Canadian correspondent of Commerce and Finance says in its October 3 issue: "At the mention of such a wheat crop some persons may express doubts as to whether its value is as great as its quantity suggests. Last year Canada had the largest crop in her history, the wheat yield having been 399,000,000 bushels. But there was no trouble in selling it, the exports for the crop year ending August, 1923, having been 229,681,000 bushels, or 71,000,000 more than during the preceding year, while during the year ending June, the United States exported 53,000,000 bushels less than during the preceding 12 months. Thus Canadian wheat is beating out the American product in the world's markets. Canadian spring wheat lands are more productive, and taxes in the Canadian West are lower than in the Western States, and the tariff, while it is unduly high from the standpoint of the farmer, does not hit the Canadian as hard as the Fordney tariff hits the farmer in the United States. The result is that the Canadian wheat grower can undersell his American competitor abroad. At the end of August the stocks of wheat on hand were less than 12,000,000 bushels, or 7,000,000 less than at the same time in 1922."

Cooperation 1

The Philadelphia Ledger for October 4 says in an editorial: "After all the fuss and flying feathers of the last six months, relief for the hard-hit wheat farmer is taking the obvious and common-sense form of using the War Finance Corporation to hook up

with the farm cooperatives that are trying to sell the farmers' grain. This plan worked well in the California fruit areas and in the Southern cotton and tobacco regions. This may not be quite so spectacular as some of the various valorization and stabilization stunts that have been proposed, but it should be reasonably effective, and it certainly is sound."

Cooperation 2

The Journal of Commerce for October 4 says in an editorial: "If Washington dispatches are to be trusted the Administration under the guidance of a financier who has been very popular in some circles for a long time past is disposed to avoid an extra session or the resort to any new means of relief for farmers. Instead, it will enlarge the resort to cooperation, and will, through the aid of the War Finance Corporation, do what it can to rectify unfortunate farm conditions in the West....Now can cooperation really help matters at all? Cooperation can not make something out of nothing. If all farmers in a cooperative association are producing at a loss, association will not enable them to produce at a profit unless it has some means of cheaper manufacture to offer. If cooperation in marketing brings economies, as it doubtless can when properly employed, it will save money to the farmer, but if the latter has lost money in his first cost as compared with current prices no amount of saving in marketing will correct or improve the situation. That will remain exactly what it was before. Cooperative marketing will keep the loss down to smaller proportions, no doubt, but it will not eliminate it because it is due to conditions that have nothing to do with cooperation. There is difference of opinion about what the War Finance Corporation has done, and many think its efforts have merely deferred and rendered worse a situation that would otherwise have been earlier relieved. However this may be, there can be no question that the operations of the War Finance Corporation have tended to be purely temporary in their effect and have not served to correct bad underlying conditions. Indeed, there was no way in which they could correct them. The troubles from which the farmer suffers to-day are not of this purely temporary variety, but are partly due to underlying political and economic conditions that need to be improved through real work and through alteration of conditions of production. Changes in acreage and alterations in labor conditions -- in taxation and tariffs -- are called for and no emergency effort tending to afford temporary relief will help much. The time for that, if it ever was present, has passed."

Cotton

In its review of the cotton market, Commerce and Finance for October 3 quotes a letter published by C. P. Ellis and Co., of New Orleans, on September 27. This says in part: "It is a fact, however, that unless the weevil destroys such increment to the crop as will accrue from the exceptionally favorable climatic conditions now prevailing, we shall have to deal with a crop largely in excess of the foolish figures lately current, and which in the main were responsible for an excited speculative

advance of \$25.00 to \$30.00 per bale. As to the many and various crop statements issued by firms and individuals, we attach no more importance to them than the paper upon which they are written. They may appeal to the ubiquitous speculator, but we greatly doubt if they exercise any influence whatsoever upon the legitimate cotton merchant. The Government crop reports are accepted as the standard of the cotton world, and while the Government is sometimes far from correct in its figures, it is usually a safer guide than the private crop reports, which purposely keep the market in a state of speculative turmoil. As we see it now, the important ports are denuded of stock. New York is trading in many hundreds of thousands of bales a day with a paltry stock of less than ten thousand bales, of which only two thousand bales are certificated for delivery on contract. New Orleans and Liverpool are operating upon smaller supplies than at any time in our experience. Be it remembered, however, that the real cotton business is now done in the interior. Abundant stocks are presently carried in Houston, Dallas, Fort Worth, etc., and the greatest operators in the world control these stocks. It is conceivable that if they are using New Orleans, New York, or Liverpool to hedge their holdings, they are quite prepared to land actual cotton in any of these three centers. Speculators in all three markets would be the last to accept delivery. Therefore, we recommend that our friends be not deluded by the singularly strong position of the three leading contract markets."

Cotton Growing In India

A Manchester, Eng., dispatch to the Manufacturers Record of October 4 says: "The General Manager of the British Cotton Growing Association, W. H. Himbury, has just issued a lengthy report of his recent visit to India and the following extracts should prove of interest to all connected with the cotton industry: 'After a very careful survey of the whole question, and judging from what I have seen myself, and heard from reliable authorities, I believe India can, and will, produce a good quantity of cotton of 1 1-16 in. to 1 1-8 in., and that the most suitable areas will be the Punjab and Sind. Of course the Central Provinces of Madras Presidency will do a good deal, but the Punjab is large and more certain. Here there are already ten million acres of land under canal irrigation, one of the largest areas in the world, and this is being added to immediately, the work being in progress, so that shortly a further million acreage will be available for cotton, wheat, etc.....The formation of the Indian Central Cotton Committee is most opportune. I feel sure it will do good work. It is composed of able and representative men... The problems whilst difficult are not incapable of solution, and I am optimistic enough to say that if the business is properly tackled in five years India should produce six million bales of cotton, two million of which should have a staple of 1 1-16 in., against the present production of five million bales, not quite half a million of which come under the higher class."

International
Agriculture

The New York Times for October 4 says: "Stockholders of the International Agricultural Corporation, at a special meeting October 3, approved plans for the corporation's reorganization."

Land Values

The Southern Agriculturist for October 1 says in an editorial: "Rapidly increasing land values have made it harder for the farmer without land to secure land of his own, and have also forced many landowners to dispose of their lands because of their inability to make those lands pay a fair return on the investment they represent.....Not until the profits of farming, which have increased much more slowly than the prices of farm land, begin to overtake land values will the trend toward tenant farming be checked. It is essential, too, that it be checked. The steady growth of tenant farming is the most discouraging feature in the whole agricultural outlook. The unduly low prices of farm products, of course, give us more trouble right now, but they are due to a condition that is essentially temporary, while the trend from owner farming to tenant farming goes on decade after decade and is due to conditions that show no sign of changing or of being changed."

Railroad Rates

The Journal of Commerce for October 2 says in an editorial: "Preliminary reports make it clear that during August the class 1 railroads of the country earned not far from 5 per cent. So far during the current calendar year the return to the companies has been something less than $5\frac{1}{2}$ per cent. Throughout most of that period the roads have been carrying a record-breaking volume of traffic and, as the published records show, have been vigorously and for the most part successfully active in increasing efficiency and thus reducing unit costs. If despite all these facts the rate of return upon investment is materially below that the Interstate Commerce Commission most conservatively estimates as a 'fair return' what is to be expected of the future? Business can not be expected to continue always at the rate that it has been going for the past half year. This is a question that ought to command widespread and the most serious thought on the part of the public now that demands are multiplying for the reduction of this, that and the other rate in order to aid sundry interests to make a better profit in their business or to enable the consumer the more easily to bear the burdens that others place upon him. The transportation companies have not for a good while past been in a position to expand to meet the growing demands of industry and trade. They are not now able to do so as is well known to those at all versed in the matter. If a drastic change is not instituted in our general railway policy the time will come, and at no very distant date, when business in this country will be forced to forego further expansion for the lack of adequate transportation facilities. Would it not be the part of wisdom to prevent such a development before it is too late?"

Section 3.

MARKET QUOTATIONS

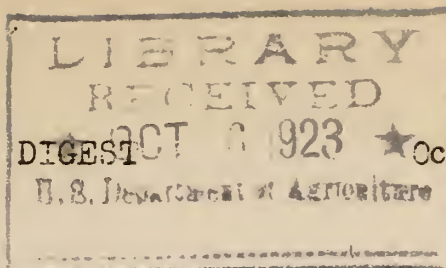
Farm Products

Oct. 4: Declines occurred on the 4th in both wheat and corn but support on breaks checked decline. Foreign demand continued slow. Light frost predicted tonight in parts of Illinois, Iowa and Indiana. Closing prices in Chicago cash market: No.2 red winter wheat \$1.09; No.2 hard winter wheat \$1.12; No.2 mixed corn \$1; No.2 yellow corn \$1; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 87¢.

Long Island Green Mountain potatoes \$2.30 to \$2.60 sacked and bulk per 100 lbs. in New York and Philadelphia. Northern Round Whites 90¢ to \$1.15 in Chicago. Eastern onions, yellow varieties, \$3.25 to \$3.75 sacked per 100 lbs.; \$3 to \$3.35 f.o.b. New York cabbage, Domestic Round type \$25 to \$28 bulk per ton eastern markets. Danish type mostly \$30 to \$33. New York peaches, Elbertas, \$1.50 to \$2.25 per bu. city markets. Eastern apples, York Imperials \$3 to \$3.50 per bbl. in New York.

Hogs steady to 10¢ higher; beef steers strong to 15¢ up and veal calves 25¢ lower. Fat lambs steady to 10¢ higher. Chicago prices: Hogs, bulk of sales \$7.30 to \$8.20; medium and good beef steers \$8.50 to \$12; butcher cows and heifers \$3.50 to \$11.25; feeding lambs \$11.50 to \$13.10; yearlings \$8.50 to \$11. Prices good grade meats: Beef \$15 to \$18; veal \$18 to \$23; lamb \$20 to \$23; mutton \$13 to \$15; light pork loins \$20 to \$23; heavy loins \$13 to \$18.

Spot cotton prices advanced 4 points, closing at 28.26¢ per lb. New York October future contracts advanced 10 points, closing at 28.70¢. (Prepared by Bu. of Agr. Econ.)



Section 1.

Wheat Tariff Investigation The Baltimore Sun to-day says: "President Coolidge has instructed the Federal Tariff Commission to consider the possibility of increasing the duty on wheat above 30 cents as a possible relief for the wheat growers of the country, though it is stated that in the belief of the President little material benefit would accrue to the farmer from such action. Representative Anderson, of Minnesota, who was chairman of the Congressional Commission of Agricultural Inquiry, recently suggested to Mr. Coolidge that the wheat tariff be increased from 30 to 45 cents a bushel under the flexible provision of the law, and it is understood that a similar suggestion has been made to the President by others who have conferred with him on the agricultural situation. While apparently the President believed that the suggestion was worthy of consideration, it is stated at the White House that not only is he uncertain that material benefit would accrue to the farmer, but he also is uncertain whether he legally can order such higher rate.... Doubt as to the feasibility of the plan suggested by the American Farm Bureau Federation of having the War Finance Corporation accept security of foreign buyers of American agricultural products is expressed by administration officials, though a modification of this plan may receive consideration.

"It is the intention of Managing Director Meyer and Director Mondell, of the War Finance Corporation, and H. S. Yohe, of the Bureau of Agricultural Economics, who have been sent by the President to the Northwest to study the wheat situation and to aid in the development of cooperative grain organizations, to start tomorrow. First stop of the investigators will be made at Chicago Monday. A number of conferences will be held in that city, and at these conferences the further itinerary of the party will be worked out. The officials certainly will visit Minnesota, Montana and the Dakotas and probably other States of the wheat belt. Those sections most depressed as a result of the wheat situation first will be visited."

Tariff Cut Opposed A Denver dispatch to the press to-day states that the Western Tariff Congress at its closing session adopted a resolution opposing "any downward revision of the present tariff on any agricultural or other western products, or any hasty or ill-considered revision of any existing tariff schedule until the same shall have been proved inequitable in actual experience."

Grain Associations Unite A St. Paul dispatch to the press states that consolidation of the United States Grain Growers' Sales Company of Minneapolis with State wheat growers' associations combined in the American Wheat Growers' Association was announced in a statement issued October 4 by the Minnesota Farm Bureau Federation.

Section 2.

Agricultural
Finance

The Newark Evening News for October 4 says in an editorial: "The revived War Finance Corporation still has some months of statutory existence and money to lend. In the intermediate credit banks attached to the twelve farm loan banks there is ample machinery for cooperative marketing associations to borrow as low as five and one-half per cent and as long as nine months on the value of pooled wheat. The farmer willing to pool his crop can be tided over temporarily and can be assured that through the offer of his crop gradually, instead of all at once, he will get just as good a price as his product can bring in competition with a world supply. More than this he is not entitled to. For the Government to yield to the petition to fix by law the price of wheat at \$1.75 a bushel would be economic folly. It would be laying a direct and heavy tax upon every table in the land, guaranteeing an artificial profit to a group at the expense of everybody else. It would absolutely prohibit the absorption abroad of our surplus and, furthermore, would be an incentive to overproduction in the future, with the Government ultimately called upon to buy with tax-raised money a large part of a commodity for which there would be no market. Cooperative marketing and diversity in crops seem to be the only ways out for the farmer who has been accustomed to stake his all upon a single crop that competes in the world's markets. And, despite the present prosperity of the South, this is exactly as true of cotton as it is of wheat."

Agricultural
Situation

1 Daily Drivers Journal-Stockman for October 2 says in an editorial: "Strange as it may seem, the country is not seriously alarmed over the prevailing trend of population toward the cities and towns and away from the farms. What is now apparently a loss to the farming communities will in the long run prove a benefit owing to the change in conditions. This view of the situation is clearly set forth by the Minden (Neb.) Courier: 'There is a greater use of farm and dairy machinery, and improved machinery means that more work can be done with fewer laborers. In other words, the farmer of to-day tends more acres and gets a higher yield from them than he did 20 years ago. The growth of the cities only makes a broader market for his products. When the tide turns, as it eventually will, the farmer with the land, tools and stock to produce the necessities of life will reap the full reward of his patience, perseverance and pluck.'"

2

The Rural New Yorker says in an editorial: "President Coolidge is making a study of the agricultural situation in the West, trying to find some practical suggestions for help which may be presented to Congress....We think he wants to be helpful and fair but he realizes, as all of us must, the complications which have arisen. A large share of our present farm troubles date back to the war and the deliberate plans then made to put agriculture at a disadvantage as compared with other industries. Farmers were expected to carry the butt end of the war burden and they have received less material help than any other class. Their buying power has been reduced while the prices of their necessities

have been increased. The short hours of labor and high wages enjoyed by workers in other industries have disorganized farm labor and made it almost impossible to do farm work properly. Many Western farmers have not been wise in handling money and credit, and have continued growing grain exclusively when they knew it was being done at a loss. All these things complicate the situation by making country people discontented and nervous. Many of them are in an ugly mood and ready to demand and try almost any radical experiment. It is the time in farm history, if ever, for cool judgment and courageous leadership. One trouble is that many of the men who pose as farm leaders lack the courage to stand up against a demand for temporary makeshifts in legislation which they know can not bring permanent relief....Something must be done at once to relieve the wheat growers in addition to what they must do themselves. We shall all find, East, West, North and South, that while the Government can help to some extent we shall, sooner or later, be obliged to take things into our own hands."

Cotton Contracts The Journal of Commerce for October 4 says in an editorial: "Several changes in the rules applying to contracts executed on the cotton exchanges have recently been proposed. This time, it appears, the changes have the indorsement of cotton manufacturers, who would further curtail the speculative element in cotton futures contracts. It is proposed that future contracts be broadened so that cotton can be accepted on contract at any of the recognized spot markets instead of having the contract settled upon the basis of a selected list of markets. Secondly, it has been suggested that southern warehouse receipts be acceptable in the settlement of contracts. It has been pointed out that if this latter recommendation is adopted much speculative shipment of cotton would stop. At the same time, there are cotton factors who are not inclined to place sufficient faith in the southern warehouse receipt. Also, it is reputed, the southern cotton people are disinclined to have this recommendation adopted as it would open up all the cotton in their warehouses for use in the settlement of futures. If it is necessary to amend the law, such amendments as would further curtail or make impossible hedging operations certainly should not be considered. But if the amendments would actually broaden such futures contracts as are still permitted, then they have a standing which merit serious consideration by all responsible merchants."

Southern Cotton Mills Richard Spillane says in Commerce and Finance for October 3: "An able gentleman connected with one of the leading publications of New England made an extended study of manufacturing conditions in New England and the South within the present year. He sought the answer to these three questions: 1. Is New England's position in the cotton manufacturing industry seriously threatened by Southern competition? 2. Are the New England cotton mills moving or preparing to move to the Southern States? 3: To what, if any, extent, do the various phases of what may be termed the labor

problem contribute to the expansion of the industry in the South and the stagnation if not recession manifest in New England? To the first question his answer is 'yes.' To the second question his answer is 'yes'. To the third question his answer is 'yes, to a great degree.' No one can read his elaborate reports without appreciating how faithfully he conducted his investigation and how dispassionate he was in his view. The only point on which the present writer, who has been in the Piedmont district recently, differs from the New England man is in appraisement of the degree of importance of the labor system of the South. To the present writer it is the most intelligent and beneficial form of paternalism in force in the United States to-day and is the greatest asset of the southern cotton spinners. Whether it will stand the test of time, remains to be seen, but at present there does not appear to be any doubt as to its great worth to employer and employed.... In equipment the improvement has been great, particularly in automatic looms, in which the South now perhaps leads New England. The number of new mills in course of construction is most impressive. Nowhere in America, in proportion to population, perhaps, are so many industrial structures being built. What has happened and what is happening in the Carolinas is likely to engage the attention of the Nation more in the next few years than it has in the last decade. Both North and South Carolina are more forward looking, more enterprising than they ever were before."

Section 3.

Department of
Agriculture

Quoting Secretary Wallace as saying: "If, as seems evident, we must admit ourselves to be on a permanently higher scale of industrial wages, and consequently higher cost of production in industry as well as agriculture, a normal relationship can be restored only by bringing agricultural prices up to somewhere near the level of other prices," Florida Times-Union for October 2 says: "If agricultural prices were brought up to 'somewhere near' the level of other prices, the cost of living would be very greatly increased. Then the high wages which labor has forced employers to pay, and which are reflected in the cost of almost everything the farmer is forced to buy, would have less purchasing power in matters of food and clothing. Then labor would strike generally for a still higher level of wages. The farmer, however, would materially benefit by making the ratio less than exists between prices of what he has to sell and those of what he must buy in the conduct of his business. This is a problem which must be solved. The Secretary suggests that industry and labor enjoy all the benefits of a domestic market while agriculture is on a world market. A plan, not described, was suggested by Secretary Wallace which is 'simply an effort to get agriculture off the world market and give it the benefits and privileges which industry and labor enjoy.' The Secretary means, evidently, that in the matter of the staple crops, the prices on the farm are governed largely by the prices offered abroad in certain markets for our exports in those lines, while the prices of all things else are fixed by the domestic demand. The law of supply and demand in the first

instance has the trade of the whole civilized world for its basis. In the case of the products of manufacturing and mining that law works only with the domestic consumption and demand. If the great mass of ordinary salaries were raised to 'somewhere near' the prices of farm products, supposing they were raised above their present level, it is easy to perceive that we should be practically about where we were when the uneven lifting-up process began. Cooperation to its fullest extent seems to us to be the most promising solution of the agricultural problem. Even in the face of the world market it seems to offer the best prospect of justice to producer and consumer alike."

Section 4.

MARKET QUOTATIONS

Farm Products

Oct. 5: Wheat prices unsettled on the 5th, being alternately higher and lower. Canadian farm deliveries heavy. Corn trade lighter with market under pressure. Cash market continued strong with prices at new high levels for season.

Closing prices in Chicago cash market: No.2 red winter wheat \$1.09; No.2 hard winter wheat \$1.09; No.2 mixed corn \$1.02; No.2 yellow corn \$1.02; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 89¢.

Chicago hog prices 10¢ higher, bulk of sales \$7.30 to \$8.30; medium and good beef steers \$8.50 to \$12; butcher cows and heifers \$3.50 to \$11.25; feeder steers \$4.40 to \$8.65; light and medium weight veal calves \$6.50 to \$11.75; fat lambs \$11.50 to \$13.50; feeding lambs \$11.50 to \$13.10; fat ewes \$3.75 to \$6.75.

Long Island Green Mountain Potatoes \$2.25 to \$2.50 sacked and bulk per 100 lbs. in New York and Philadelphia. New York cabbage, Domestic Round type \$20 to \$28 bulk per ton eastern markets; \$14 to \$15 f.o.b. New York peaches, Elbertas \$1.50 to \$2.50 per bu. basket, top of \$3 in New York Eastern shore of Virginia sweet potatoes yellow varieties \$2.25 to \$3.50 per bbl. leading markets.

Closing prices, 92 score butter: Philadelphia 48¢; Boston 47 1/2¢; Chicago 47¢; New York 47¢.

Hay markets generally firm because of light receipts and good demand.

Spot cotton down 46 points, closing at 27.80¢ per lb. New York October future contracts declined 50 points, closing at 28.20¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 5.	Oct. 4,	Oct. 5, 1922
	20 Industrials	89.41	89.93	100.81
	20 R.R. stocks	79.96	80.00	91.93

(Wall St. Jour., Oct.6.)

Section 1

Agricultural Commission's Plan Referring to the western tour of the special commission of the Government, headed by Messrs. Meyer, Mondell and Yohe, the press to-day says: "The officials carried with them detailed data of methods in use by the cotton, rice and tobacco growers of the South and the fruit growers of California in cooperative marketing, and are prepared also to explain to the producers how the Government may aid them in a financial way, either through direct loans from the War Finance Corporation and the new intermediate credit banks or, indirectly, through loans to commercial banks in communities where the cooperatives may be organized.....Simultaneously with the departure of the commission, the Federal Farm Loan Board made available figures on loans by the credit banks which disclosed that more than \$2,000,000 had been advanced."

Agricultural Financing A Minneapolis dispatch to the press to-day says: "Some idea of the financial requirements of Minnesota farmers is to be had from the action of the State Rural Credits Bureau in deciding to issue another \$5,000,000 in bonds. The bureau, created by the last legislature, has been in operation only a few months. Its first issue of \$3,000,000 bonds fell far short of meeting the requirements of farmers, and to date approximately 3,200 farmers have filed applications for loans aggregating \$19,000,000. The bureau expects to place about \$7,000,000 in loans before the end of the year.....North Dakota is offering \$1,000,000 in rural credits bonds to tide over its farmers who are in need of financial help. The amount was virtually all subscribed soon after the issue was offered here."

New Agricultural Degree in Britain With the opening of the new academic year, the University of Bristol, England, will inaugurate a new degree. England is now to have her "Bachelor of Agriculture." The degree is to be conferred in connection with the work of the National Fruit and Cider Institute, which was founded in 1903 for the special purpose of research concerning the production of cider....This year a new course is being instituted which will cover a period of five years. The first two years of this course will consist of the study of pure science, botany and chemistry at the university, with special lectures and demonstrations at the institute. The student will spend the next two years at the Royal Agricultural College at Cirencester, which is affiliated with the university, and the fifth year will be spent on some approved farm on a regular plan of work in the same way as an engineering student is required to spend a year working in an approved engineering shop. (N.Y. Times, Oct. 8.)

Wheat Prices in Britain A London dispatch to-day says: "Your wheat farmers are not the only dissatisfied agricultural community. What British farmers term 'disastrous prices brought about by world competition,' especially in wheat, are forcing affairs in the English agricultural industry to something of a crisis. The farmers want a tariff on wheat, and the Premier will shortly receive a deputation on the subject."

Section 2.

Agriculture in
Britain

The Field (London) for September 27 says in an editorial: "The farmer is about in the position of a six-foot man who has been standing in five feet of water and now sees it beginning to rain." Such is the graphic description of the agricultural situation briefly summarized by the Bureau of Agricultural Economics in the United States, and it might with equal truth be applied to the position of the British farmer, only here it has been raining all the time.....During the war period, both in the United States and in this country, arable cultivation was affected by Government regulations, by guaranteed minimum prices, and by patriotic feeling which urged the farmers to produce all the food possible without consideration of profit or loss, present or future. In both countries poor lands not suitable for the production of wheat were drawn into the zone of cultivation and all land was heavily drained of its resources to meet the exigencies of the time. A large amount of the profit made during the war was not real profit but a draft on capital to be returned to the land if it was to regain its productive power. The farmer was living on his capital. The American statistics show this clearly. Further, the result was not commensurate with the effort, although the effort was necessary...The contribution of the United Kingdom to the wheat supply of the world is negligible and always will be. A bare fifth of the loaf is produced in this country, and the reduction of wheat land area here will have but small effect on the world price...The difficulty at the present time for the exporting countries is how to get rid of their surplus wheat, and if the United Kingdom is to be the dumping ground and there should be anything in the nature of a subsidy on the export of wheat from outside, the position of the arable farmer would be desperate. In that case the Government would be compelled to intervene with either a countervailing duty or subsidy. Although the surplus wheat exported from different countries has been almost halved since 1913, the price is down to prewar level. The cause, therefore, must be the lessened demand in Europe where, owing to the exchange and general chaos, people still have to tighten their belts. The hope, so far as price is concerned, is in a reduced production and increased consumption, and those who can wait will probably see a return to relatively higher prices."

Canadian Officials
Confer on Grain

A Kansas City dispatch to the press October 5 states that members of the Royal Grain Inquiry Commission of Canada were at Kansas City October 4 to confer with local Board of Trade officials. They left Canada recently to investigate grain conditions in various parts of the United States. Inspection methods, with special reference to protein and gluten tests, received the attention of the commission. Dockage and the service rendered by country elevators and cooperative organizations also were discussed.

Central America

"Central America -- An Export Field" is the title of an extensive article by Joseph E. Strauss, in The Outlook for October 10. This says in part: "It does not take a prophet to vision how great a factor in our foreign commerce the further development of Central America will become. In the expansion of the coffee, rubber, tobacco, chicle, cattle, mahogany, and mining industries Central America needs machinery and equipment for railways and highways, electrical machinery, manufacturing equipment, coal, and many other products of American origin. Here is an outlet for American goods of every description, from canned goods to expensive manufactures; and the further employment of American capital in Central America will operate to the benefit of mutual trade and add to the sum of prosperity. It is true that prosperity breeds contentment, that healthy industry is a panacea for political ills. Our increased trade with Central America and its future development by the added investment of capital from American sources will assist in maintaining the strength of those nations through whose territory we have purchased a zone and cut one canal and have a perpetual right to cut another."

Cooperation in
Britain

The Field, (London) for September 27 says in an editorial: "The Interim Report of the Agricultural Tribunal indicates that further support for cooperation is likely to be one of the methods by which the Government will try to help agriculture. The various interim reports of that hard-working body, the Linlithgow Committee, suggest that there is no more fruitful field for cooperation than the distributive side of the farmer's business. In the case of every kind of farm produce it appears from these reports that there is money to be saved for the producer and consumer if a further measure of cooperation among farmers can be secured. For it seems that in every field the costs of distribution are unduly high, either through the multiplicity of middlemen who handle the product or through the high standard of organization reached by the distributive trade, enabling it more or less to dictate its own terms to producer and consumer alike. The history of cooperation in other countries bears out the view that while cooperation is valuable in helping the farmer to obtain the raw materials of his industry cheaply, it brings still greater returns if it can handle successfully the problems of distribution...It says a great deal for the merits of the new departure that in 1921, which might be regarded as the coming of age of the movement, there were 348 societies (excluding allotment societies) with a share and loan capital of over 3,000,000 pounds and a turnover of over 14,000,000 pounds. Most of these societies, it is true, are principally concerned with supplying the farmer with his requirements. But it is an obvious reflection that if farmers could combine to secure in due course so substantial a share of the trade in requirements, it should not be beyond their power in the years which are coming to play an equally great part in the distributive side of the business, however strongly entrenched the distributive interests may at present appear to be by custom and organization...An entirely different

state of affairs prevails in the case of milk. Here the middleman's interests are so well established, so highly organized and so wide in their ramifications that it seems as if the only possible course for the farmer is to rely on collective bargaining with these interests and to make no attempt to get nearer to the consumer by cooperative supply. And this view the leaders of the farming community apparently hold. Milk prices throughout the country are almost entirely governed by the agreements arrived at between the National Farmers' Union and the Federation of Dairymen's Associations."

Norwegian Flour

A Christiania, Norway, correspondent of the Modern Miller and Grain Imports for September 29 says: "In a cabinet council on September 7, the Norwegian Government brought in a bill on purchase and storage of Norwegian grain. The Department of Agriculture pronounces its sympathy with the urgent representations of former reports regarding the necessity of taking effective steps now to settle this matter finally in a way that secures for the domestic growers a foundation with regard to prices and terms for the disposition of Norwegian grain. But the department can not admit that to solve this problem it is necessary to establish a monopoly for import of grain from abroad. The difficult conditions for sale of Norwegian grain have, says the department, been one of the chief obstacles for development of Norway's grain growing. To create possibilities for sale of domestic grain at profitable prices is therefore the problem. The department can not recommend establishment of a monopoly for import of grain, maintaining that the reasons against a State's monopoly may also be applied to a monopoly for import of grain and flour and emphasizes the weaknesses of such an arrangement. The Department of Agriculture is of the opinion that the country as a whole will profit by releasing the grain commerce and mill industry and leave it to the private trade. Only the restrictions which are necessary to secure the market for Norwegian grain are to be kept up. Beside those the State ought not to interfere with the free sale."

Warburg on Reserve Board

That the character of the membership of the Federal Reserve Board is certain to deteriorate unless protection is provided against senatorial attacks, was asserted by Paul M. Warburg, of New York, yesterday before the joint congressional banking committee. Mr. Warburg, who as governor of the Federal Reserve Board several years ago experienced attacks from Congress, advocated the proposal brought forward recently by the American Bankers Association that the President should have the power to reappoint a member of the board without confirmation by the Senate. (Press, Oct. 6.)

Wool Standards

The Journal of Commerce for October 5 says in an editorial: "The movement toward the standardization of products is carried a step further by the announcement that common grades are to be worked out by Great Britain and the United States for raw wool. At the present time users of wool in the two countries know pretty well the significance of the terminology of both, but if common standards with the same names are developed this will simplify the technique of the market for the uninitiated. With

these two countries in harmony as to wool standards the entire world market will be on a common basis with the exception of Argentina and a few relatively unimportant wool exporting countries like China and Russia. Conceivably these will follow the example of Great Britain and this country and accept the same standards, at least for clothing wools. If such is the case one of the more complex 'commodities' will have been stripped of many of its technical terrors."

Section 3.

MARKET QUOTATIONS

Farm Products

For the week ended October 6: Weakness first day of week due to profit-taking and liquidation was followed by period of strength and although there was another decline on fourth and fifth strength to-day resulted in sharply higher close for week.

Closing prices in Chicago cash market: No.2 red winter wheat \$1.11; No.2 hard winter wheat \$1.14; No.2 mixed corn \$1.03; No.2 yellow corn \$1.04; No.3 white oats 44¢. Average farm price No.2 mixed corn in Central Iowa 91¢.

Butter markets firm most of the week but at the close to-day weakness had developed following the preliminary cold storage report yesterday which showed larger holdings than dealers generally expected. Trading, which had been only moderately active during most of the week was almost at a standstill to-day. Storage butter meeting with larger demand as the season advances.

Closing price 92 score butter: New York 46¢; Philadelphia 47¢; Boston 46 1/2¢; Chicago 45¢.

Chicago hog prices advanced about 10¢ for the week. Beef steers 75¢ to \$1; butcher cows and heifers 50 to 75¢ and stockers and feeders 25¢ higher. Veal calves declined 30¢; fat lambs 25¢ higher; feeding lambs 25 to 40¢ lower.

Hay markets generally firm because of light receipts and good demand. Prices mostly unchanged. Farm work restricting country movement. Quoted Oct. 5 - No.1 timothy, Pittsburgh \$26, Memphis \$25, Cincinnati \$23, Chicago \$27, St. Louis \$26.50.

Eastern potatoes barely steady for the week. Midwestern stock firm city markets; steady to firm at shipping points. Onions steady to firm; lower in Boston. Cabbage \$5 to \$10 per ton lower. Apples and peaches tend slightly lower.

Spot cotton prices declined 62 points during the week. New York October future contracts declined 59 points. Spot cotton closed at 27.62¢ per lb. New York October futures at 28.03¢.

Cheese markets steady at the close with prices practically unchanged from a week ago but with a weak and unsettled tone evident in some quarters. The bulk of the business has been on small lots with real wholesale and speculative demand lacking snap. With weather conditions favorable and pastures in good shape, production continues heavy. (Prepared by Bu. of Agr. Econ.)

Section 1.

Wheat Conference The Associated Press reports to-day from Chicago: "The wheat farmer shall be lifted from his present slough of financial difficulties and low prices to the level of the cotton and tobacco growers by the same means that lifted them--cooperative marketing on a national scale--it was decided yesterday by cooperative and agricultural leaders called into conference as to the best means of correcting the present situation in the wheat lands. An immediate survey of the six principal wheat-growing States, with the view of working through present facilities where they exist and creating them where they are not, was decided upon by the conference, which resolved itself into a permanent committee and elected an executive committee, with former Governor Frank O. Lowden, of Illinois, as chairman. Declaring the wheat situation to be almost the only blemish on an otherwise prosperous national agricultural situation, and noting that the farmers who fared the best in this situation were the cotton and tobacco growers and the California fruit growers, where cooperative marketing has succeeded most, Mr. Bingham called the conference to decide if such methods could improve wheat farming. The survey of the situation will be the first work of the new Executive Committee, which numbers in its membership, besides Chairman Lowden, Mr. Bingham, Mr. Williams, Senator Capper, W. C. Settle of the Indiana Farm Bureau Federation, Mr. Jewett and Dan Wallace."

The committee appointed by President Coolidge to investigate the wheat situation, composed of Messrs. Meyer, Mondell and Yohe, were listeners at the conference, and following its conclusion ~~and~~ quoted as declaring they saw in cooperative marketing the real solution in the wheat problem and assured the committee of the support of the administration and of the governmental agencies that may be able to help the plan,

Farm Tenancy Gaining An Associated Press dispatch from Madison, Wis., to-day, says: "Farm tenancy in the United States increased only 1 per cent during the last decade, contrary to the general belief that agricultural lands were rapidly passing out of the hands of owner operators into the hands of tenants, judging by a report of the Institute for Research in Land Economics and Public Utilities. This body, directed by Dr. Richard T. Ely, is organized specifically to conduct research in land problems. Basing its conclusions on 1920 census figures, the institute concludes that 'an increase in tenancy can be expected in the normal development of a nation, a fact neglected by many who look upon tenant farming as something absolutely undesirable.' The report showed that tenants operated approximately one fourth of the farms of the country in 1880, with a jump to 28 per cent in 1890, and to 35 per cent in 1900. A more gradual increase came in the next two decades, the proportion in 1910 being 37 per cent and in 1920, 38 per cent. The South is shown to have had a steady increase in tenant farms, with some States showing over 60 per cent of farm tenancy. Notable declines in tenant operated farms have persisted in the Eastern States on the Atlantic seaboard from Virginia northward. Only New York had a larger proportion of tenants in 1920 than it had in 1880, and even then in 1920 less than one-fifth of its farms were tenant operated."

Section 2.

Agricultural Relief Kansas City Daily Drovers Telegram for October 4 says:
"President Coolidge is to be congratulated for good sense in recognizing the fact that reduction in the expense of producing, transporting and marketing wheat, and the avoiding of overproduction, are the overshadowing issues in the case. Wheat growers are to be encouraged to form cooperative marketing associations, which could avail themselves of Government funds under the rural credits act. In order to meet the competition of Canada, Argentina and other countries in the markets of the world, he seems to favor a temporary arrangement to stimulate exports. This will be in the way of providing credits for foreign countries in need of wheat, but only in cases where satisfactory security can be given. The market has lately reflected the effectiveness of this policy by exhibiting a stronger tone. There is no surplus of choice wheat in this country, but the inferior grades, such as usually go for export, are probably 150,000,000 or 175,000,000 bushels in excess of home use. Removal of the burden would prove a blessing to farmers without any great cost to the Government. The benefit would be reflected in improvement in general business. As matters now stand, there is danger of abandonment of wheat production to the point of underproduction in 1924, and this would be a calamity."

**Agricultural
Situation in
Britain**

Country Life (London) for September 29 says in an editorial: "Farmers, reduced to desperation, can not be blamed for demanding a definite answer to their representations. They will receive it if the public, that final tribunal which must decide in the end, gives the necessary support. Before us is a situation in which the leaders of opinion are called upon not so much to succor the farmers as a class, as to support whatever is best for all classes, that is to say, for the country as a whole. Reduced to its elementary factors, the issue is a very plain one. There is a great danger and a suggested remedy. If the answer to the complaint is a non possumus, what will inevitably happen is that agriculturists will turn away from arable to grass farming; that is, give up the cultivation of cereals and concentrate on livestock and the dairy. This is no idle threat, but a process already going on. The statistics supplied by the Ministry show that last year four hundred thousand acres were allowed to drop from ploughland to grass. Everywhere one hears farmer saying to farmer that it is hopeless to compete against cheap imported grain, and that milk and livestock form the only good stand-by. Those who take a wide national view will not willingly support this policy. It is impossible for any one to do so whose anxiety is for the welfare of all sections of the population. What does it mean? In the first place, a reduction in the labor bill. One inducement for the farmer to take this course is that it will enable him to do with fewer hands. It follows that many agricultural laborers would be forced either to swell the population of the towns, in other words, to swell the number of unemployed, or, alternately, to emigrate. A second and not less important result is that it will make us more than ever dependent on

foreign and colonial grain. Already, of every five loaves consumed in Great Britain only one comes from home production. Those who take the sanest and least exaggerated view of the possibilities are forced to admit that although the population, almost without exception, longs for peace more than anything else, the political barometer of Europe is far from being 'set fair' at the present moment. The greatest paradox of the situation is that while every portion of the globe, near or far, provides work for many hands in growing foodstuffs for Great Britain, the burden of some two million unemployed hangs round the neck of Great Britain and threatens to pull her down. There can be no doubt of that being a possible contingency under the ablest statesmanship, and it will become the inevitable fate unless means are forthcoming to alter such a preposterous anomaly. Ministers do not seem by any means well informed on the subject."

On this subject The Washington Post to-day says in an editorial: ".....It is not surprising that employers and employees in the great industries are united in a protest against foreign dumping, and that many of them are engaged in an intensive campaign in favor of a protective tariff. With them must be included the farmers, who have never had a fair showing since the repeal of the Corn Laws in 1846, and who are now clamoring either for a tariff on imported grain or a subsidy for their own products. In addition, there is the demand of the colonies for increased preference in the British markets--a subject which is receiving anxious attention in the imperial conference now being held....."

Food Prices

The U.S. Department of Labor has completed the compilations showing changes in the retail cost of food in 20 of the 51 cities included in the report of the Bureau of Labor Statistics. During the month from August 15, 1923, to September 15, 1923, 18 of the 20 cities showed increases as follows: Los Angeles and St. Louis, 4 per cent; Baltimore, Fall River, New Haven, and New Orleans, 3 per cent; Chicago, Kansas City, Norfolk, Providence, Richmond, Rochester, and St. Paul, 2 per cent; Houston, Indianapolis, Jacksonville, Savannah and Washington, D.C., 1 per cent; and Portland, Me. showed a decrease of less than five tenths of 1 per cent; Butte showed no change during the month. For the year period, September 15, 1922, to September 15, 1923, all twenty of the cities showed increases as follows: Indianapolis, 10 per cent; Chicago and Baltimore, 9 per cent; Fall River and New Haven, 8 per cent; Norfolk, Providence, Rochester and Washington, D.C., 7 per cent; Richmond, St. Louis, St. Paul, and Savannah, 6 per cent; Jacksonville, Kansas City, Los Angeles, and Portland, Me., 5 per cent; Butte, Houston, and New Orleans, 4 per cent. As compared with the average cost in the year 1913, the retail cost of food on September 15, 1923, was 59 per cent higher in Richmond; 58 per cent in Washington, D.C., 57 per cent in Chicago, Baltimore, and Providence; 53 per cent in Fall River and New Haven; 48 per cent in St. Louis; 47 per cent in Indianapolis; 45 per cent in New Orleans; 43 per cent in Los Angeles; and 40 per cent in Jacksonville and Kansas City. (Press statement, Oct. 8)

Government Costs

Analysis of the returns made to the Census Bureau by fourteen States for 1922 indicates that the cost of State governments throughout the United States has more than doubled since 1919 and has quadrupled since 1913, according to William P. Helm, jr. States whose reports have been tabulated are Colorado, Delaware, Illinois, Kentucky, Maine, Michigan, Minnesota, Nebraska, New Jersey, Ohio, Rhode Island, West Virginia, Wisconsin and Wyoming. They have a combined population of 33,203,643, or about 30 per cent of the total population of the country. The total cost of government in these States, exclusive of the cost of government in their counties, cities, towns and villages, was \$438,682,777, or \$13.21 per capita. "Applying this cost to the entire population of the United States, estimated by the Census Bureau to have been 109,248,393 in 1922," says Mr. Helm, "we reach \$1,443,161,272 as the approximate total cost of State government throughout the Union. This estimate contrasts with the Census Bureau's figures for 1919, when the total cost was \$640,403,134, or \$6.09 per capita, and those for 1913, when the total cost was \$382,551,199, or \$3.95 per capita." (The Budget, October.)

Milk Price Fixing

An international commission with the power to fix the retail price of milk and to control in some degree its production was proposed to the World's Dairy Congress October 6 by Dr. E. Laur, director of the Swiss Rural Union. The price of raw milk is strongly influenced by the prices of butter, cheese and condensed milk, Dr. Laur said. These are commodities of international commerce and consequently the price of milk is influenced by the world markets. While the commerce in milk products is internationally organized, milk producers are not and as a result the price of milk in many countries does not cover the cost of production, he declared. Urging an organization that would permit an active exchange of views on all that is of interest concerning the international marketing of milk, Dr. Laur called upon the congress to sponsor the foundation of a commission. (Press, October 8.)

Wheat Marketing

The Price Current-Grain Reporter for October 3 says in an editorial: "Should the existing grain pools fail and go into 'innocuous desuetude' it is not impossible that certain presumably well-intentioned gentlemen would have to seek new occupations. Does this fact have any relation to the new order of things in the Washington Wheat Growers' Association by which the original cast-iron contract with the pool has been so modified that signers must take the pool average price for only one-third of the crop and may have two-thirds sold when and as they direct? Is not this change conclusive evidence that the pool has been a failure as a selling agency? Manager Robinson early in September said that 'the growers in his State are almost unanimous in adopting the less rigid contract.' Why, if the pool method is the correct one? The new arrangement thus compels the grower, while he may dictate the price at which he may wish his grain

sold, to sell it through the pool agency and to pay the pool the sums it may denominate for freight, handling, storage, insurance, interest on advances, taxes (if sold after March 1) and approximately 2c per bu., for association expenses and one cent for the contract reserve. In other words, the pools having wholly failed to perform the service originally intended, of securing for the farmer a higher price for his wheat by holding it off the market to 'orderly market' it, has become simply a selling or commission agency without the responsibility attaching to regular houses performing the same service and charging the grower more for that service than the regular buyer would take as his margin for costs and profit. It is true the pool will make an advance of 50¢ per bushel as 'advance payment', when the wheat is delivered to the pool warehouse, but the pool pays the grower no interest on the sum held back but requires payment on the sum 'advanced' until final 'average' settlement is made 'at the end of the year' (season); whereas when he orders a sale made the grower gets the full sum immediately in cash. It seems difficult to imagine how any thinking farmer can be hoodwinked by an arrangement so clearly opposed to his personal interests."

Section 3.

MARKET QUOTATIONS.

Farm Products

Oct. 8: Wheat market nervous on the 8th but held firm and closed at fractional gains. Visible supply wheat 64,336,000 bushels compared with 32,020,000 bushels same date last year. Corn held reasonably firm most of day in sympathy with strong cash market, but closed fractionally lower on heavy profit taking.

Closing prices in Chicago cash market: No. 2 red winter wheat \$1.12; No. 2 hard winter wheat \$1.15; No. 2 mixed corn \$1.05; No. 2 yellow corn \$1.05; No. 3 white oats 44¢. Average farm price: No. 2 mixed corn in Central Iowa 92¢.

Chicago hog prices 15 to 25¢ lower, bulk of sales \$7.10 to \$8.10; medium and good beef steers 15 to 25¢ off, at \$8.50 to \$11.85; butcher cows and heifers \$3.50 to \$11.25; feeder steers \$4.40 to \$8.65; fat lambs \$11.75 to \$14; light and medium weight veal calves \$7.75 to \$12; fat ewes \$3.75 to \$6.75.

Long Island Green Mountain potatoes \$2.45 to \$2.65 sacked and bulk per 100 lbs. in New York and Philadelphia. Maine Green Mountains \$1.85 to \$2 eastern cities; \$1.25 to \$1.45 f.o.b. Maine Cobblers \$1.75 to \$2 leading eastern markets; \$1.10 to \$1.25 f.o.b. New York peaches, Elbertas, \$1.75 to \$2.75 per bu. basket leading markets; \$3 in Philadelphia; \$1.65 to \$1.75 f.o.b. Eastern apples, Jonathans, \$3.50 to \$4 per bbl. in New York. New York cabbage, Domestic Round type, \$20 to \$30 bulk per ton eastern markets; \$15 to \$16 f.o.b. Eastern onions, yellow varieties, \$3 to \$3.50 sacked per 100 lbs. \$2.75 to \$3 f.o.b.

Closing prices, 92 score butter: New York 46¢; Boston 46 1/2¢; Philadelphia 47¢.

Spot cotton down 38 points, closing at 27.24¢ per lb. New York October future contracts down 33 points, closing at 27.70¢.
(Prepared by Bu. of Agr. Econ.)

Section 1.

Dairy Congress
Report

The press to-day reports from Syracuse: "Readjustment which is in progress will end discontent among agriculturists, in the opinion of Henry C. Wallace, Secretary of Agriculture, here October 9 attending the World's Dairy Congress and the National Dairy Exposition. 'The farmer is not radical and never will be,' Secretary Wallace said. 'He is our best conservative citizen and any talk of radicalism is "bunk." ' Former Governor Lowden, of Illinois, stated the American wheat farmer must organize co-operatively and study world conditions. When he takes time to study these conditions he will no longer be a one-crop farmer. He will diversify to meet conditions as they are. Cooperative organization for the farmer is bound to prove his own salvation.....A paper of J. Hill, of Belfast, Ireland, urged that time be set apart in all primary schools in agricultural districts for teaching the fundamentals of dairying. With this taken up with enthusiasm, he asserted, 'in less than ten years the dairy industry of the world will be revolutionized.' Ben Davies, of London, England, declared the milk distribution industry needs some organization for collating its experience. John Drysdale, of Edinburgh, Scotland, and R. M. Veeman, of Lieuwarden, Holland, emphasized the importance of cooperative organization."

Germany as Cotton
Buyer

The New York Times to-day says: "Despite the fact that its currency is well-nigh worthless in all markets, having sold in New York yesterday at 2,000,000,000 marks to the dollar, Germany continues to be one of this country's best customers for cotton, copper and meat products. In the last eight months Germany has bought approximately \$10,000,000 more cotton than any other country, and in the same period her copper purchases have greatly exceeded those of any other one country....."

Trade Relations

The New York Times to-day reports from the Imperial Conference at London as follows: "A strong speech by Stanley M. Bruce, Premier of Australia, delivered October 8 in the Imperial Conference and published last night, makes a bid for an empire fiscal policy and protective tariff. The speech contains some trenchant criticism of 'British dependence on the United States, particularly for foodstuffs and meats', and the operations of the American meat trust are assailed. Premier Bruce offers what is characterized as a bold plan to end such dependence on America with the suggestion of establishing an Imperial Purchasing Board, which would pay only such foreign products as the empire could not itself supply.....No mention was made of any plans for assistance to the British agriculturist, and there was a complete absence of any suggestion of using a protective system. Such as they were, however, the proposals met with the hearty approval of the Dominion representatives, while the spokesman for the Crown Colonies, including the West Indies, Mauritius, Nyassaland and Rhodesia, expressed his belief that they would be of great value to those dependencies."

Section 2

Almond Crop

A San Francisco dispatch to the press of October 9 states that the California almond crop this year will bring to its raisers 10,000 tons in yield, valued at \$3,500,000. Fifteen years ago less than a third of this tonnage was raised, its value a fifth of what it is to-day. The dispatch says: "Woven into the industry is one of the leading cooperative marketing associations in existence. This California Almond Growers' Association handles 75 per cent of the crop and comprises 3,200 growers, scattered from Yuba County on the North to San Luis Obispo County to the South. The association this year plans to shell, blanch and pack in vacuum containers nuts for world consumption. This will be done in the \$400,000 plant of the association at Sacramento."

Dairy Marketing
in Wisconsin

W. A. Freehoff is the author of an extensive article on Wisconsin's dairy marketing experiment, in The Annalist for October 8. He says in part: "Wisconsin Dairying, Incorporated, was organized for the purpose of advertising Wisconsin milk and dairy products, and to extend the already great dairy industry of the Badger State. Probably nobody spent more time or money than the officers of the Wisconsin Bankers' Association in helping to organize this corporation; it is a conspicuous example of how the banks of a great Commonwealth got right down to brass tacks and studied with their farmer patrons the ways and means of improving the farmers' condition and markets. But the corporation, launched with so much faith and hope, is now floundering on the shoals and shallows of dissension, and there is real question as to whether or not it will finally survive in its present form. The officers of the Wisconsin Bankers' Association admit that they have learned a lot about the psychology of the farmer, and also about cooperative marketing associations. When they entered into the campaign to get the work started they had high enthusiasm and a great vision of what could be accomplished. They knew of the tremendous success that the California and Florida fruit men had achieved, and felt that the same principles which held good in marketing fruit could be employed in marketing milk and dairy products. Where the various groups of men interested in the marketing of Wisconsin dairy products erred was in supposing that the whole problem would solve itself automatically through the spending of great amounts of money in advertising. The original plan was to spend a million dollars a year, or some such sum, in advertising Wisconsin milk, cheese, butter and ice cream. This money was to be put up by the farmers themselves, the banks of the State pledging themselves to lend the corporation the funds needed for the organization work. This was the first wrong move on the part of the banks; they were merely lending while the dairymen were asked to pay. The dairy farmers felt that the banks should allow their contribution to remain in the proposed corporation as capital stock, and the banks finally consented to this arrangement. Whether or not Wisconsin Dairying, Incorporated, succeeds or fails, everybody connected with the movement has learned some deep and lasting lessons, and there is hope now that when the dairymen of Wisconsin finally do agree upon some plan of promotion and selling the foundation will have been firmly laid."

Farmer's Purchasing Power Daily Drivers Journal for October 6 says in an editorial:

"Perhaps not all financial and agricultural authorities will agree that the purchasing power of the farmer has increased this year but there is one undisputed authority that proves the farmers are better off than they were a year ago and that is the mail order house. These concerns cater to the farmer almost exclusively, their business is on a strictly cash basis and their reports agree that sales have been fully 40 per cent heavier during the past nine months than during the corresponding period of 1923."

Farm Mortgages

Commercial West for October 6 says: "Recently there was a meeting of the Farm Mortgage Bankers Association of America held at West Baden, Ind. This organization is composed of those engaged in the farm mortgage business. The membership is vitally interested in the agricultural situation and in all things that mean progress and prosperity for the farmer. It was the opinion of the delegates to the convention -- and they represented every section of the United States -- that the worst of the farmers' troubles are over, and that the agricultural situation is in much better condition than is generally realized. The annual report of the secretary, E. D. Chassel, of Chicago, dealt with conditions surrounding the farm mortgage business. Mr. Chassel placed the total value of agricultural property in this country at 70 billions of dollars, basing his figures upon official reports. The farm indebtedness is approximately 11 billions of dollars. Therefore American agriculture is operating on less than 15 per cent of borrowed capital and more than 85 per cent of the capital employed is owned by the farmers themselves. In comparison Mr. Chassel pointed out that in other industries approximately 50 per cent of the capital employed is borrowed. Thus it can be seen that farmers in general are in much better financial position than are those engaged in the other industries. Notwithstanding the agreement that farming conditions are much better than they have been, attention was given by the delegates to the disparity between the earnings of the farmers and the earnings of those engaged in other industries. One of the delegates pointed out that a plumber working eight hours earns, as wages, what is equal to 42 pounds of butter, the output of 14 cows for 24 hours. The daily wages of a carpenter equal what the farmer receives for a hundred-and-seventy-two-pound hog, representing eight months of care and feeding. Until these discrepancies are remedied and the farmer is enabled to exchange his commodities in the world markets on a more reasonable and equitable basis there is likelihood of a continuance of dissatisfaction."

Land Values

Providence Journal for October 8 says in an editorial: "The Government has been well rewarded for its policy of land grants to the railroads, and citizens who bought land during the period of railroad extension and kept it also have made money. Every one who had anything to do with the development of the West through land concessions has profited by the land-grant method of encouraging the construction of railroads, and counties, towns and cities have been among the chief beneficiaries. If the present value of railroad land is to be estimated at a dollar an acre or whatever it was

worth before the country was opened for settlement what is to be done with other property, farm lands and city lots? If the Government can confiscate railroad holdings, why can it not seize land worth in the market from a hundred dollars an acre to fifty or a hundred dollars a square foot? What justice is there in a nominal value for fixing rates and another for the levying of taxes? In dealing with land values the right way is to treat all holders of real estate alike. This latest scheme of virtual confiscation does not appeal to any citizen who has any idea of what the railroads have done for the United States since the Government gave them the right of way through land which was worth next to nothing in the absence of freight and passenger trains."

Paper Making in Manitoba

A Winnipeg dispatch to the press of October 8 states that erection of the first pulp and paper plant in the Prairie Provinces at a cost of \$3,000,000 has begun near Winnipeg. The plant will have an initial capacity of 120 tons of newsprint a day and will, it is believed, furnish paper to the Middle Western market of the United States. Location of the plant in the West, it is said, is an indication of the expansion of the Canadian newsprint industry. It was once thought that the pulpwood supplies of the Prairie Provinces would not be called into requisition for years, but the increasing consumption of the Middle Western States and their proximity to the Prairie Provinces has brought about the demand. Newsprint production in the Dominion rose from 690,250 tons in 1921 to 1,031,364 tons in 1922, and this year, it is reported, it will show even greater gains.

Wheat Cooperation

In an editorial on the President's investigation committee on wheat marketing conditions, Daily Argus Leader for October 5 says: "The President hopes the wheat farmers will be encouraged to form cooperative corporations similar to those which have been so successful in the marketing of cotton, rice, tobacco and other products. The Wheat Growers Association is at work in this and other States of the Northwest, but not enough farmers have joined it as yet to make it truly effective as an orderly marketing system. Their failure to do this is regarded by the Government as the greatest weakness in the situation in the wheat belt. Price fixing by the Government has been rejected as unsound, as this paper has urged all along, and the farmers will now be urged, instead, to cooperate more and to rely on orderly marketing methods. Reports of large wheat surpluses everywhere have influenced many farmers to dump their crop on the market for the best price they could get at the time, for fear that it would soon drop. But now the most competent authorities are said to doubt very much that the wheat crop will be anywhere near the estimates that have been made. Information keeps coming in from sources that seem well informed that the crops are not as large as has been represented and that consequently the surplus will not be as great as was first believed. This should tend both to increase materially the price of wheat and to strengthen the campaign for orderly marketing.....Provision has been made for advance of money to the cooperatives by the Government, and part of this is

given the farmer in turn so that he can almost immediately get the benefit of the transaction. There has been, however, some complaint that the Government credit facilities in this respect were not adequate nor sufficiently amooth working. Improvement on this score is promised now by the action which the Government is taking."

Section 3.

MARKET QUOTATIONS

Farm Products

Oct.9: Wheat prices declined sharply on the 9th under marked increase in pressure and less aggressive support. Cash milling wheat scarce. Corn lower with wheat, but there was partial recovery at close.

Closing prices in Chicago cash market: No.2 red winter wheat \$1.09; No.2 hard winter wheat \$1.12; No.2 mixed corn \$1.06; No.2 yellow corn \$1.06; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 93¢.

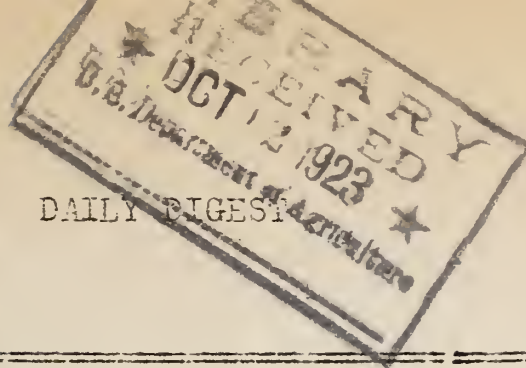
Chicago hog prices 10¢ lower, bulk of sales \$7 to \$7.90; veal calves largely 50¢ lower, at \$8.25 to \$12.50; butcher cows and heifers \$3.50 to \$11.10; feeder steers \$4.50 to \$8.50; fat lambs \$11.75 to \$14; feeding lambs \$11.75 to \$13.25.

Long Island Green Mountain potatoes \$2.45 to \$2.70 sacked and bulk per 100 lbs. in New York and Philadelphia. Maine Green Mountains \$1.85 to \$2.15 eastern cities, \$1.30 to \$1.50 f.o.b. Maine Cobblers \$1.75 to \$2 leading eastern markets. Eastern shore of Virginia sweet potatoes, yellow varieties, \$2.75 to \$3.75 per barrel consuming centers. New York peaches, Elbertas, \$2.00 to \$2.75 per bushel basket, eastern markets. New York cabbage, domestic round type, \$25 to \$30 per ton city markets \$13 to \$15 f.o.b. Eastern onions, yellow varieties, \$3 to \$3.50 sacked per 100 lbs, \$2.75 to \$3.25 f.o.b. Eastern apples, York Imperials, \$3.25 to \$3.75 per barrel in New York. Midwestern Jonathans \$5.75 to \$6.25 in Chicago.

Spot cotton prices up 10 points, closing at 27.34¢ per lb. New York October future contracts up 15 points, closing at 27.85¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct.9,	Oct.8,	Oct.9,1922
	20 Industrials	88.06	88.56	101.55
	20 R.R. stocks	80.33	80.72	91.81

(Wall St. Jour., Oct.10.)



Section 1.

Dairy Congress A Syracuse dispatch to the press to-day reports the close of the World's Dairy Congress as follows: "....Leaders of scientific thought asserted the gathering, in its exchange of technical knowledge and discussions of all phases of milk in its relation to health, contributed more to the welfare of the world than any such gathering of recent years. Contributions to dairy science included more than 250 technical papers....The next session of the congress probably will be held in Europe....Plans are under way for a new national dairy organization which will comprise representatives of twenty-three national organizations to coordinate the work of each, and thus, it was stated, wield a greater influence in advancing the various divisions of the dairy industry. Establishment of a Dairy Bureau in the Department of Agriculture was urged October 10 by members of the National Dairy Unions."

Wheat Buying Plan A Chicago dispatch to the press to-day says: "A decision
Attacked said to have been reached in a mysterious conference at Chicago on Monday to 'save' the farmers of the Northwest through the purchase of a large proportion of the wheat surplus with War Finance Corporation funds was attacked October 10 by John J. Stream, president of the Chicago Board of Trade, as an economic fallacy which would lead only to trouble."

British Import An Ottawa dispatch to the press to-day states that it is con-
Preferences sidered probable that certain United States exports to Great Britain and the British Dominions may be hit rather hard by the preference that the British Government has announced. It will extend to dried, preserved and canned fruits, also raw tobacco and sugar produced within the Empire and imported into the United Kingdom. Examination of the trade returns of the United States for the fiscal year ended June 30, 1923, shows this country exported to the United Kingdom nearly \$123,000,000 of the foregoing products.

Marsh on Farm A Cleveland dispatch to the press to-day says: "'Billions of
Loans dollars of farm mortgages, the hard earned dollars of city workers, are a perilous investment because the wheat grower's dollar has shrunk to about 50 cents, and his taxes, interest, and expenses are just what they used to be or more,' Benjamin C. Marsh, managing director of the Farmers' National Council, said in a statement October 10, on his way to Washington after a three months' speaking tour in fourteen wheat and cotton-growing States. 'Bank examiners in several western States are not strictly enforcing banking laws, because they don't want to close any more banks,' Mr. Marsh, continued. 'There is only one way out and that is for the Government to help farmers, through a Government marketing corporation, to get a fair price for their products until they can pay off their debts in the same dollars in which they were contracted. Any other course is dishonest, and extending more credit is merely indirect dishonesty.'"

Section 2.

Cotton Farming

A St. Matthews dispatch to the press of October 9 says: "In order to foster the production of cotton on a more economic basis through the development of diversified farming in the cotton belt, the American Cotton Association has organized a widespread campaign to create strong and active county chambers of agriculture in all of the cotton growing counties of the South. This movement, the plans for which have been printed in pamphlet form and are being widely distributed, provides for active leadership on the part of local bankers and merchants in cooperation with the rank and file of the farmers in each county. The success of the movement, it is pointed out, will depend upon the energy, foresight and constructive leadership among the forces which go to make up the triangle combination of bankers, merchants and farmers. Until this fact is fully realized and actively taken advantage of there will be but little hope of progressive organization in any community. The association, in addition to sending out literature embracing plans for the practical and efficient organization of the county chambers of agriculture, proposes to become a substantial factor in contributing useful and honorable awards to those counties which each year present evidence of the greatest forward steps in agricultural reform under the auspices of a well organized chamber of agriculture."

Living Cost

The Financial World for October 6 says in an editorial: "In the current discussion of the high cost of living the view is often expressed that we need not expect to return to normalcy until we succeed in forcing labor down from its abnormal wage scale. Another general theory advanced is that high wages jack prices of commodities to a point where inflation can not be avoided. Both these theories would be sound provided comparisons were made with identical periods. However, in considering the cost of living regard must also be shown for the prevailing standard of living, especially in a country as wealthy as our own. With us it is possible for wages to advance and prices for commodities to fall. It has happened before and will again. We have had that proof furnished us by the period which followed our civil war. For this fact we do not even have to go back as far as that for to-day we witness the economic phenomena of commodities like copper, leather, farm staples, zinc, and oil selling lower while the tendency of wages is to advance. In considering present wages we must bear in mind that the continuous increase in the national wealth, which is now estimated around \$300,000,000,000, has raised the standard of living far above what it was ten years ago. It is but natural for the worker now earning two dollars where formerly he received only one dollar, to live better. Being a normal human being with the same instincts elemental to the human race increased income only makes the worker wish for the good things of life. It is this inclination which higher wages make possible that has raised the standard of living among us."

Mexican Farms

A San Antonio, Tex., dispatch to the press of October 9 states that in accordance with a proclamation by President Obregon, all Mexicans desiring to devote their time to farming will be given from 250 to 500 acres of land in Mexico. According to local Consul Ismael Magana, the decree is for the expressed purpose of establishing a firm government on the agricultural possibilities of the country. The measure is expected to relieve the exodus to the United States and make it possible for the poor of Mexico to make an easy living from the natural resources and wealth of their country.

Peruvian Plants

A New York dispatch to the press of October 10 states that new varieties of pineapple and a new yellow potato were brought to this country October 9 by Francis MacBride, botanist for the Field Museum of Natural History at Chicago on his return aboard the steamship Santa Teresa from a two years' sojourn in central Peru. In the course of his tour Mr. MacBride has sent to the museum about 6,000 varieties of plants, including Peruvian coffee, corn, beans and other vegetables of wide economic value.

Production Costs

The Journal of Commerce for October 9 says in an editorial: "An old source of anxiety in industrial life known as high cost of production, and about as troublesome to business enterprises as high cost of living to individuals, has reappeared as a current factor of discussion. According to dispatches from Washington and from European points, the agents dispatched by the Tariff Commission have failed to get any light on European costs save 'the most superficial facts,' and it is now proposed to send over one of the tariff commissioners himself. Whether European manufacturers will at once concede the use of their books and papers and afford all the data that are called for by our tariff investigators is still to be seen. There is reason to doubt it. Meantime the question of domestic costs is growing serious, not only as affecting our foreign trade but also as influencing the steadiness of demand at home. These costs are showing their effect in the textile trades, and particularly in cotton, but they are about as serious elsewhere. The most striking exemplification of them is in the farming regions, even though the farmers themselves persist in thinking their difficulties are those of selling price and not of cost. The truth is that both with them and with manufacturers the root of the situation is found in what they must pay out in order to get their goods upon the shelves or into the hands of the consumer. If the consumer could raise his own prices or wages at will, and in a way to correspond to the advance in commodity values, the case would be different, but facts have shown conclusively that this is out of the question. The truth of the present situation is that higher prices are not the panacea that will bring relief to a troubled world. Manufacturers have tried it, and last spring there was a prevailing opinion that they would simply assess the higher wages they allowed to textile operatives upon the consumer. The plan has not worked, simply because the consumer will not buy at higher prices, and the manufacturer can not get rid of his goods at advanced levels.....The main lesson to be drawn from all these facts is that the most urgent matter for attention in our production today is the lessening of home costs at every point where such reduc-

tion is at all possible."

Trade Relations

A New Orleans dispatch to the press of October 9 says: "Consideration by the United States of an amendment to its tariff laws to permit a larger exchange of commodities between this country and Australia was suggested here yesterday by the Hon. Donald MacKinnon, Australian Commissioner. Mr. MacKinnon said that the future of the world depended upon close relations between the English-speaking countries. Referring to the development of cotton growing in Australia, he said the Commonwealth appreciated American assistance in establishing the industry, and he added that Australia intended to start another American industry, the manufacture of building material from crushed sugar cane. The high insulation property of that material would be of value in the cheap and quick erection of heat and cold storage houses, he said."

Wheat Prices

The Wall Street Journal for October 10 says: "Taxpayers are promised another useless congressional investigation this coming winter. In a letter published in The Daily Capitol, of Topeka, Congressman E. C. Little says that he will make an effort to learn just how much money the Chicago wheat speculators spent to propagandize the claim of surplus wheat, and further says: 'This tale of world surplus is just a great hoax, and these estimates from Canada seem to be a deliberate effort to deceive the market. I would rather have the opinion of the Pottawatomie medicine man than any tale that comes out of Canada concerning wheat -- all imaginary and located at the end of the rainbow.' For the farmer who has wheat to sell or land to seed it is not a good plan to shut his eyes to facts, even though they are not pleasant to contemplate. As an illustration this newspaper's investigator after going all over Kansas reported on June 25 that the quality of the crop would average low. Indignant denials came to this office from the Southwest, but the proof came later. Kansas City millers are now paying a premium of at least 15 cents a bushel for 13 per cent protein wheat. Could they afford to ignore the Canadian crop or the facts of the world wheat supply and demand? On the 19th of September the Department of Agriculture of the United States announced that the wheat crop of Canada this year was 470,328,000 bushels. Its crop last year, according to the same authority, was 399,786,000 bushels. In 1921 it was 300,853,000 and, still quoting from our own Department of Agriculture, in the five years between 1909 and 1913 the annual production of Canada was 197,000,000 bushels. As Canada does not consume much over 70,000,000 bushels of wheat, these official figures show an enormous surplus to the north of us which later will be reflected in export figures as real and not 'rainbow' wheat. In its publication 'Foreign Crops and Markets' dated September 19, 1923, at page 214, the Department of Agriculture of the United States said that the wheat crop of Europe was 1,227,674,000 bushels and that last year it was 1,026,338,000. On page 216 also it shows that the world production this year of the Northern Hemisphere was 3,000,397,000 bushels compared with 2,755,900,000 a year ago. The Southern Hemisphere crops to be harvested later promise to be at least as large as a year ago. These are facts for the wheat farmer to consider, and it is Congressman Little who is chasing rainbows."

Section 3.
MARKET QUOTATIONS

Farm Products

Oct. 10: Closing wheat prices in Chicago cash market: No.2 red winter wheat \$1.12; No.2 hard winter wheat \$1.14; No.2 mixed corn \$1.08; No.2 yellow corn \$1.09; No.3 white oats 44¢.

Butter markets steady to firm at close to-day at prices about 1¢ lower than a week ago.

Closing prices of 92 score butter: New York 46 1/2¢; Chicago 46¢; Philadelphia 47 1/2¢; Boston 46 1/2¢.

Spot cotton closed at 27.71¢ per lb. New York October futures at 28.30¢.

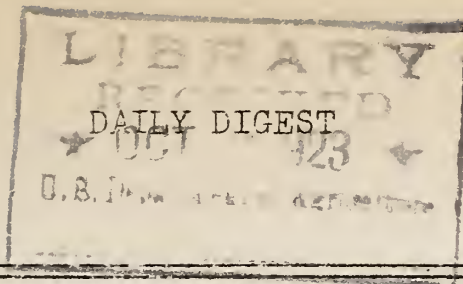
Chicago hog prices \$8.10, bulk of sales \$7 to \$7.90; medium and good beef steers 25¢ lower at \$4.50 to \$8.50; light and medium weight veal calves \$8.50 to \$12.75; fat lambs \$11.75 to \$13.90; feeding lambs \$11.75 to \$13.25.

New York Round White potatoes, \$1.95 to \$2, sacked and bulk per 100 lbs. Maine Green Mountains \$1.85 to \$2.25 eastern cities. Eastern onions, yellow varieties \$3 to \$3.75 sacked per 100 lbs. eastern markets. New York cabbage, Domestic Round type, \$20 to \$30 bulk per ton, city markets, \$13 to \$15 f.o.b. New York peaches, Elbertas, \$1.75 to \$3 per bushel basket, leading markets.

Timothy hay market remains firm because of light receipts and continued good demand for better grades. Millfeed markets at standstill. (Prepared by Bu. of Agr. Econ.).

Industrials and	Average closing price	Oct. 10,	Oct. 9,	Oct. 10, 1922
Railroads	20 Industrials	87.54	88.06	101.72
	20 R.R. stocks	79.76	80.33	92.50

(Wall St. Jour., Oct. 11.)



October 12, 1923

Section 1.

Grain Price Fixing Secretary Wallace is quoted by the press to-day as saying before the annual session of the International Farm Congress at Kansas City, Mo., yesterday that a fixed price by the Government on wheat would only aggravate the farmers' burdens. "Any fair price that might be fixed", the Secretary said, "would be a stimulated price, and would do more harm than good. For 3,000 years governments have tried to adjust prices, and, in an exhaustive study of their methods and the ends attained, I fail to find a single success. To buy and hold the surplus grain was harder on the specialized grain farmer than the price condition that now exists, for next year and every year there would be a surplus. Hence, to buy the surplus one year only postpones the situation the farmer will have to face later."

Mr. Ford and Muscle Shoals A Detroit dispatch to the press to-day states that Henry Ford's offer for the purchase of the Muscle Shoals project in Alabama is still before Congress and will not be withdrawn. Mr. Ford charged that political influences were brought to bear to keep him from obtaining the plant.

British Agricultural Situation A London dispatch to the New York Times to-day says: "Premier Baldwin was brought face to face with one of the most serious of his difficulties when a deputation from the farmers of England, Scotland and Wales waited upon him October 11 and informed him bluntly that they were at the end of their resources, and that unless the Government came at once to their assistance they would be obliged to reduce greatly the acreage now under cultivation. They told him that the wartime increase of arable acreage had disappeared and thousands of agricultural laborers would have to be turned away if the Government did not act. The farmers emphasized the desperate nature of the crisis by pointing out that at the present time the men thus thrown out of work could not be absorbed into industry...The farmers declared that in many districts the arable land, if once cultivation ceased, would go to absolute waste, as it was not fitted for pasture.....The Government is, in fact, faced by an almost insoluble problem. British agriculture is exposed to such competition that it can hardly survive without some assistance. It is recognized by all parties that to permit large tracts of land to go out of cultivation would be a national misfortune.....But, while the evil is admitted, the remedy is hard to find. The simplest expedient would be to protect the British farmer by customs duties; but the urban workers would never consent to that. Another suggestion is that some form of bonus should be instituted for British agriculturists; but that would meet with most vigorous criticism and would be accepted even by the Conservatives only as a last resort."

Section 2.

Agricultural
Financing

Florida Times Union for October 9 says in an editorial: "News dispatches from Georgia furnish convincing evidence that banks in that State are cooperating practically with farmers, are giving substantial encouragement in constructive work on the farms, work that is going to bring very substantial returns to the farmers and to the banks. It, also, is work that will be beneficial generally. On Monday the Times-Union published a dispatch from Valdosta, telling of a bank in that city using a half page of newspaper space to tell the farmers it had a fund of \$25,000 'especially set aside for buying dairy cows.' Without seeing the advertisement referred to, it is fair to assume that the bank told how the fund would be applied, what would be required of the farmers who desired to make use of the money put at their disposal for the purpose indicated. It is also fair to assume that the Valdosta bankers are going into cooperation with the farmers, particularly those who are engaged in dairying, or who are qualified, by experience and the necessary equipment, to engage therein. Furthermore, it is evident that these bankers realize and appreciate the need for more and better dairying in a State where natural advantages are so numerous and where is, or ought to be, the natural source of dairy products, for which there is constant and growing demand. Not only are Georgia banks cooperating with the farmers in the matter of dairying, but in poultry raising and in other lines of sane and sound agricultural activities."

Agricultural
Situation

The Wall Street Journal for October 11 says in an editorial: "Farmers have rendered the country a splendid service this year. They have produced a large total of crops and, as the prices of all products, even that of wheat, are above those of a year ago, the farm income should be considerably higher. No better tonic could be handed to the country's business than this report of the achievements of the farmers....The business outlook is promising for the farmer who has commodities to sell. Has the pessimist, or the politician grieving over the farmer, been able to find any undue stringency in money rates? Can he place his finger on any undue decline in employment or construction work? Until he can do this the farmer can assume that the tracks are reasonably clear for business, on which his hopes of a good market depend. Rising prices are an indication of increased demand. The Fisher price index shows that the decline in commodity prices was checked nearly two months ago and then turned definitely upward. There is no pronounced boom change or anything like it, but instead a gradual upward turn, which means a healthy price situation. If prices are stable, with a slight upward tendency, the farmers can be assured of a good consumptive demand for their products. The whole situation is mutually hopeful and healthful for the agricultural class and the people of the country in general."

Cotton Reports

Theo. H. Price says in Commerce and Finance for October 10: "It is not too much to say that the sum which the South will receive for this year's cotton crop will be substantially diminished

by the two Government reports issued last Tuesday. On the ginning report made public at ten o'clock the market advanced a cent a pound and on the condition report published an hour later prices declined a cent and a half a pound. Neither report shed any new light upon the situation or disproved anything previously believed. The ginning was perhaps less than had been expected by those who had not taken the September rains into consideration, but the condition figures were almost exactly in line with the average of those privately compiled. The sensational fluctuations recorded were, therefore, due rather to the hysteria of a market that has been constantly flagellated by these reports than to any information that they contained, for they contained none. But the effect has been to drive intelligent speculation out of cotton. People of substance who try to operate logically will not take the risk of such illogical fluctuations. The result is that the producer has been deprived of the speculator's assistance just when he needs it most and is left to carry the burden of the crop alone when that burden is the heaviest. It is entirely natural that those whose business it is to buy and distribute the crop should take advantage of a situation so obvious and the consequence is that we now hear that spinners have withdrawn their orders and that some New England mills are closing down because there is no profit in converting cotton into cloth at present prices....In almost any other business a way to prevent such radical and meaningless fluctuations would be found, for they immensely increase the risk and expense of distributing the crop. The way to prevent them in the cotton market is to stop the issuance of crop reports by the Government and it is to be hoped that Congress will give its attention to the subject at an early date. Until something is done to end a practice that has become as dangerous as it is absurd the farmer is likely to be left to market his crop alone. Without the aid of speculation it is not to be expected that he can insist upon more than 30 cents a pound for it, if indeed he can get so much."

Freight Rates

Julius Kruttschnitt, chairman of the board of the Southern Pacific Railway Company, declared in a speech before the New York Board of Trade and Transportation October 10 that the proposal of the Secretary of Agriculture to reduce freight rates, especially those on agricultural products, would leave the roads with no operating income and would bankrupt every common carrier in the country. "Prices of farm products move up and down regardless of freight rates," said the speaker. "Freight rates neither produced the extraordinary prosperity of farmers in 1916, 1917, 1918 and 1919, nor caused the break in farm prices in 1920. Excepting those made by the Federal Railroad Administration there was no increase in freight rates until Aug. 26, 1920, and this increase did not affect all farm commodities until the latter part of September, because much traffic was en route at the time the increase became effective. Not only had farm prices reached their peak and begun the precipitous fall a considerable time prior to the rise in rates, but wholesale and retail prices of all commodities represented in the cost of living index did likewise. The forces making for agricultural

depression and prosperity lie in the markets. Transportation costs neither produce the depression in agriculture, nor do they stand as an obstacle in the path of returning prosperity."(N.Y. Commercial, Oct. 11.)

Wheat Marketing

The Courier-Journal for October 10 says in an editorial: "The most practical and hopeful step yet taken for the betterment of the American wheat market was that at Chicago Monday in the projection of a national cooperative marketing association. All sorts of quack nostrums have been proposed lately for the restoration of the wheat-growing industry to good health, and none of them is worth anything except possibly to political demagogues who might get some temporary profit from it, before its quackery had been demonstrated by trial. Cooperative marketing, however, is a proved sound prescription for such conditions as those which now depress wheat farming. There is no reason why it should not be as efficacious when applied to wheat as it has been in its application to tobacco, fruit and cotton. It is true that to organize the wheat-growers of the United States into a national cooperative association is a big undertaking, but there are big forces behind it. Headed by Frank O. Lowden and backed by some of the most intelligent and practical students of agricultural and economic conditions, including such authoritative specialists as B. M. Baruch and Aaron Sapiro, the project is launched most auspiciously.....Of course it is to be borne in mind that the function of a cooperative marketing association is to regulate the marketing of a product, not to make a market for it. Cooperative marketing can and does regulate, promote, stimulate, coordinate markets, but it can not create a market. It can not overcome the restrictions of a Government, such as tariff laws, which limit or destroy markets. That is a phase of the American wheat market with which a cooperative marketing association could not, and would not, pretend to deal--a phase which it would be inappropriate to discuss in urging the formation of an association which would be in its essential nature wholly non-political."

Women Urged to Aid Chemical Industry

A message to American women indorsed by five of the leading women of the United States, has been prepared and spread throughout the country in the interests of the chemical industry. The message is in the form of a plea "that women assess anew the value of the intimate and unending service of chemistry to home, community and country." Mrs. Herbert Hoover, national president of the Girl Scouts; Mrs. Thomas G. Winter, president general of the Federation of Women's Clubs; Miss Maude Wetmore, chairman of the woman's department of the National Civic Federation; Miss Ada L. Comstock, president of the American Association of University Women, and Mrs. George Maynard Minor, president general of the Daughters of the American Revolution, have signed a statement of approval. The statement says in part: "This Nation has fallen behind in the promotion of research in that branch of chemistry upon which rests the preservation of health, the practice of medicine, the elimination of waste from the home and industry by the

conversion of that waste into humanly usable products; that branch of chemistry upon which rests the improvement and increase in our food supplies; the conservation of our resources through a wider and more effective utilization of materials. In a word we have fallen short in the domain known as organic chemical research within which lie an enormous number of the strategic places overlooking the strongholds of nature....The women who are working for the Nation's peaceful security will find no more illuminating or enthralling subject of study than the bearing of chemistry upon national defense....."

Section 3.

Department of
Agriculture 1

The Journal of Commerce for October 10 says in an editorial: "It would be difficult to conceive of a more utterly ridiculous farce than that now under way in agricultural circles concerning the importation of foodstuffs. Nor could there be a more undignified squabble than that between the Department of Agriculture and the customs with regard to the conditions under which such merchandise may rightfully be admitted. The one orders labels removed because of their 'misleading' character, while the other refuses them admittance without labels. If the farm groups were, in fact, interested only in being sure that foreign foodstuffs coming into this country were wholesome and were what they were officially claimed to be the matter would be wholly different. Such is, however, not the fact. What they want or what many of them desire is to stop goods from coming in at all."

2

W. I. Drummond, editor of the Agricultural Review, published monthly by the International Farm Congress of Kansas City, is strongly opposed to the Government going into the business of insuring farm crops. In the current issue, just printed, he says in part: "What would be the result? Another Government bureau or commission would be created, many new jobs provided and large appropriations required, all of which would be translated into taxes. Increased plantings and decreased care of crops would follow. With the assurance of protection from loss, more people would take up farming. As a consequence, either the Government would be stuck good and plenty, or the additional production would break the back of agriculture by causing utter collapse of prices.....With the exception of protection against specific loss, as for instance, hail or storm, the whole proposition of crop insurance is fantastic. Were this not true, there would be no occasion for the Government to go into this kind of insurance business. It is not easy to believe that the officials of the Department of Agriculture are speaking seriously when they say this is feasible, and yet they appear to be. Of the 6,500,000 farms in the United States, probably 500,000 are being operated by men who have no business being on farms, or under conditions resulting in such high production costs that profit is impossible with prices at ordinary levels. Agricultural prices generally are depressed by the weight of unnecessary products of these farms. The 6,000,000 real farmers, with

6,000,000 real farms, constitute the solid and necessary part of agriculture. Anything that increases their competition affects them adversely. The Government should be the last to add to their troubles." (Commercial West, Oct. 6.)

Section 4.
MARKET QUOTATIONS

Farm Products

Oct. 11: Closing prices in Chicago cash grain market: No. 2 red winter wheat \$1.11; No. 2 hard winter wheat \$1.13; No. 2 mixed corn \$1.12; No. 2 yellow corn \$1.13; No. 3 white oats 44¢. Average farm price No. 2 mixed corn in Central Iowa 99¢.

Closing Chicago prices: Hogs, top, \$8.15; bulk of sales \$7.10 to \$8.10; medium and good beef steers \$8.25 to \$11.40; butcher cows and heifers \$3.50 to \$11; feeder steers \$4.50 to \$8.25; light and medium weight veal calves \$8.50 to \$12.75; fat lambs \$11.75 to \$13.75; feeding lambs \$11.75 to \$13.25; yearlings \$8.75 to \$11.50; fat ewes \$3.75 to \$7.

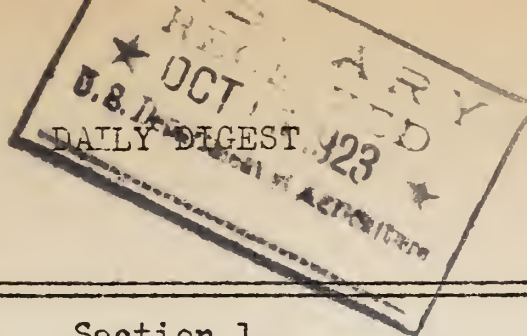
Potato markets dull and weak, demand slow. Long Island Green Mountain Potatoes about steady in New York, closing at \$2.40 to \$2.50 sacked and bulk per 100 lbs. Cabbage markets dull, demand slow. New York Danish type up \$2 per ton ranging \$28 to \$30 in New York. Onion market unsettled, demand slow to moderate; down 50¢ per 100 lbs. in New York. Eastern apple demand slow to moderate, market about steady. York Imperials closed at \$3 to \$3.50 per barrel in New York.

Closing prices, 92 score butter: New York 47 1/2¢; Philadelphia 48 1/2¢; Boston 47¢; Chicago 46 1/2¢.

Spot cotton up 14 points, closing at 27.85¢ per lb. New York October future contracts up 20 points, closing at 28.50¢.
(Prepared by Bu. of Agr. Econ.).

Industrials and	Average closing price	Oct. 11	Oct. 10,	Oct. 11, 1922
Railroads	20 Industrials	87.16	87.54	Holiday
	20 R.R. stocks	79.23	79.76	"

(Wall St. Jour., Oct. 12.)



October 13, 1923

Section 1.

Agricultural

The press to-day says: "The troubles of the farmer were Finance Report laid October 12 before the joint congressional committee inquiring into the failure of State banks to join the Federal Reserve System.

Governor Cooper, of the Farm Loan Board; B. C. Powell, of Little Rock, Ark., representing the American Cotton Association; T. H. Atkeson, representing the National Grange, and Benjamin C. Marsh, of the Farmers' National Council, were heard by the committee on various phases of banking as applied to agriculture. Contrary to the impression that the farmers need additional financial aid, their general credit condition has improved during the last year, Governor Cooper said. During the twelve months, he declared, they borrowed less money than in the previous year. According to Mr. Cooper, the board has received acceptable demands for only \$15,000,000 so far this year, although it had further commitments that probably would bring the total to \$40,000,000. This amounted to only one-half of the money it held available to assist agriculture. Most of the demands for loans have come from the South and Far West. Governor Cooper said, generally through farmers' cooperative associations. There had been no great demand, he added, for credit in the Middle West. Charges by Representative Strong, Kansas, that there had been unnecessary delays in the negotiations of loans by the board were denied by Governor Cooper, who insisted that the board would be amply able to take care of every legitimate demand made upon it without using more than one-half of the fund it had available.

"Country banks remain outside the Federal Reserve System, Mr. Powell testified, because they would receive no interest on their deposit should they join that system, and also because they resented what they considered attempts to coerce them into agreeing to the par collection of checks. He urged the committee to hold meetings outside of Washington so as to get in touch with country bankers, and to make every possible effort to impress upon them the benefits that would come by joining the system. New York banks, he asserted, are paying salaries as high as \$25,000 to men whose business it is to induce banks to remain outside. Mr. Marsh said there was a general belief among country bankers that many of the disasters suffered by the farmers in recent years had been largely due to the Federal Reserve System. Mr. Atkeson brought to the attention of the committee what seemed to him improper methods used to force par collection of checks."

Farm Credits

The press to-day says: "Commissioner Cooper, of the Farm Loan Board, October 12 announced that the Federal intermediate credit banks sold a second issue of \$10,000,000 intermediate debentures to substantially the same group of banks that purchased the initial issue in August. Commissioner Cooper said the intermediate credit banks are having their principal call from cooperative marketing concerns, which he regards as evidence of rapid development of that method of marketing. He expressed special satisfaction in the fact that the wheat growers' cooperatives had, up to September 30, received advances virtually twice as large as were made last year by the War Finance Corporation, to November 30. Inasmuch as the War Finance Corporation last year promptly took care of all demands, this is regarded as showing that the wheat growers are making good progress in cooperation."

Section 2.

Agriculture in
Britain

The Scottish Farmer for September 29 says in an editorial: "It may be argued that conditions abroad are analagous to those in Great Britain, but an examination of the facts does not lend support to this view. There can be little doubt that England and Scotland are over-populated if work can not be found for a million and a half able-bodied men. Trade depression does not wholly account for this large total. All political parties at least pay lip service to the ideal of a healthy rural population, but meanwhile rural depopulation proceeds at a steady pace. The result has been that legislation has been introduced to facilitate land settlement, to which many are so virulently opposed. The State has deliberately expended or is expending a few millions on schemes which at present are admittedly uneconomic. It is unfortunate that the need for greatest development coincided with high postwar costs, which emphasized the uneconomic nature of the schemes. The majority of the settlements are too new to be criticized justly. There would seem to be a future for small holdings in Great Britain if production of such commodities as butter, bacon and eggs is pursued. It may be argued that to constitute small productive units is to oppose the experience gained from other forms of industry. In the latter there is a constant tendency towards amalgamation and mass production, but agriculture is more of the 'domestic' type than any other. No industry calls for more supervision from the head of the concern. Small livestock need an individual attention which can not be afforded in extensive operations, and small livestock and their products are ideal subjects for the small man. Posterity will decide whether the State has diagnosed the situation correctly or whether it has been vainly attempting to check the operation of an economic law, for despite the legislation and recently inaugurated schemes the number of small holdings in these islands decreases as steadily as does the rural population. Those may be right who assert that the lack of education defeats the whole movement towards rural repopulation."

Corn Market

Sioux City Live Stock Record for October 9 says in an editorial: "It would seem that there is a large invoice of bunk at work right now in the corn market. Right now there are some few 'bunkerinos' who are spreading bunk to the effect that with four hundred million bushels of corn now ripe in Iowa, the State can count on practically four hundred millions of dollars being poured into the State this fall for her corn crop. In the first place, admitting that Iowa has a four hundred million bushel corn crop, it won't bring four hundred millions of dollars into the State, for it will not sell for a dollar per bushel. If Iowa has a four hundred million bushel corn crop, which she probably has, and would attempt to dump it into the Chicago market this fall, that act alone would break the corn market. On findings by a lot of our statisticians if Iowa sends over 60,000,000 bushels of a 400,000,000-bushel corn crop into market she will not only be contributing to an over-supply of half fat cattle and hogs on

markets. The dollar per bushel on corn in Chicago, that is being bunched up at this time, is for old corn -- and how many Iowa farmers, or farmers of any other State, have much old corn for sale? The new crop is what concerns about 95 per cent of corn producers at this time -- and there is not a chance in ten that the new crop will come into market at any such price as a dollar per bushel -- in fact, if this epidemic of rushing to market with light pigs and cattle that have merely been introduced to corn rations develops as it is threatening, corn is likely to become a drug on the market before the winter is fairly started."

Cotton

A New York dispatch to the Philadelphia Ledger of October 12 says: "The supremacy of America as the leading cotton-producing Nation of the world is threatened by the ravages of the boll weevil, which has been largely responsible for the destruction of between 20 and 25 per cent of the cotton crop this year, Edward E. Bartlett, jr., president of the New York Cotton Exchange, declared in a statement October 11. 'The extermination of the boll weevil, in my opinion,' he said, 'is one of the greatest problems that America has to solve. I believe that, with an appropriation of a few million dollars, the Government might organize a fight upon the weevil which in two or three years would exterminate the pest. Compared with the economic loss caused by the weevil each year, the money the Government has appropriated so far to fight it is infinitesimal. The statement by Lord Derby,' he continued, 'that, in time, Great Britain would no longer depend upon the United States for its cotton but would get all its supply from within the Empire, emphasizes a situation to which I have repeatedly called attention. It is a matter of regret that foreign nations should be quicker to appreciate this situation and take advantage of it than our own Government.'"

Farm Exodus

The Wall Street Journal for October 12 says in an editorial: "That sensible and well-edited newspaper, the Idaho Statesman, published at Boise, properly declines to get hysterical about the alleged 'drift' from the farms to the cities. It points out that a good many of the drifters, if not quite all of them, were anything but a success on the farms....When that newspaper speaks as follows it is on firm ground: 'Men do not starve in the cities with productive land lying idle. When starvation is born of the drift to the cities, the disease becomes its own cure and the drift starts back again. So the problem of the farms is not a problem of the future, what shall be done to save the Nation from starvation. It is a problem of the now, how to straighten out the threads that have become tangled, and set back on right paths men who have gone off on wrong ones, from congressmen, manufacturers, railroad men and middlemen to farmers themselves.' In the same issue of the Idaho Statesman is a discussion by E. W. Porter, the State Commissioner of Finance, of what actually happened in that State. He points out how during the great demand

created by the war reports began to circulate about men buying a good farm and paying for it out of the first crop, with a guaranteed minimum price of \$2.36 a bushel for wheat. As he says, farmers began buying from each other and lawyers, preachers, teachers and even bankers got into a game they could not possibly understand. Little or no capital was required, and a promise to pay or a mortgage was regarded as, if anything, rather better than cash. As Mr. Porter says, deflation struck the State like a typhoon. But as he also records, the real farmers are coming back by their own honest effort, while a good many of these amateur farmers are 'drifting' back to the towns where they belong, to the substantial benefit of Idaho farming."

Freight Rates

The National City Bank of New York says in its review of economic conditions for October: "The advance guard of the advocates of legislative aid for agriculture has reached Washington. The measures proposed are mainly in behalf of the wheat grower, who in the region where the crop is short and the quality low unquestionably is in a deplorable position. Nevertheless it is difficult to see what can be done for him beyond the measures that have been passed to supply him with credit where practicable. Most of the proposals, such as reduction of freight rates to the seaboard or formation of a corporation to make sales abroad, look to foreign markets, but as indicated above there is no use in looking to the foreign market for wheat in the Middle West this year. The price in Minneapolis to-day is above the possibility of profitable exports with any suggested reduction of freight charges. Canada, with an enormous crop, of high quality, and with the price in Winnipeg 20 cents per bushel under the Minneapolis price, is supplying the foreign market and will be presently reenforced in doing so by Argentina and Australia. It is argued by the persons who advocate freight rate reductions that the reductions would be added to the price received by the western farmer, but the rate reductions would all be needed to place Dakota wheat on a parity with Canadian and enable it to compete at all. Furthermore, if such reductions were made it is probable that they would affect prices in Canada and elsewhere. The present lake and rail freight charge, Duluth to Chicago, is not over 15 cents per bushel."

Milk Exports

The Trade Record of the New York National City Bank for October 8 says: "The American cow retains her popularity in the Orient despite the neglectful attitude of the Occident. Exports of milk to the Orient in the 7 months ending with August show a marked increase while those to other parts of the world show a decline of nearly one-third, measured in quantities. In the single month of July the milk exports to the Orient increased 60% compared with July of last year, while those to Europe showed a fall off of 35%. While it was expected--hoped in fact--that Europe would regain her ability to supply her own people with this important foodstuff, it is interesting to note that the growth in our exports of milk to the Orient continues, for it is in that part of the world that the demand for condensed and evaporated milk is a permanent

one. Density of population and the necessary use of the soil for the production of grain foods leave the Orient, except India where the cow is considered a sacred animal, dependent upon the Occident for its milk supply."

Wheat Prices

The Northwestern Miller for October 3 says in an editorial: "The proposal laid before President Coolidge to rescue the wheat growers of the United States from their present predicament by arbitrarily increasing the import tariff on wheat provides an extraordinary example of the ability of otherwise shrewd and competent men to ignore the plain facts of economics. One would think that the experience of 1921, when the Fordney emergency tariff act was adopted primarily for the purpose of protecting the wheat farmers, would have been sufficient to demonstrate the utter absurdity of such an attempt, but apparently the lesson taught by the complete failure of that measure to accomplish its purpose has yet to be learned. The whole theory that wheat importation has anything to do with the low price of wheat in the United States is shown to be preposterous by the simple fact that during the past three years the total wheat imports of the United States have been very much less in volume than the wheat exports to Canada alone. Canada, the one country against which a tariff wall for wheat is erected, actually imports much more wheat from the United States than it sends across the border.....The farmer may momentarily feel that the Government is doing something for him if it increases the duty on wheat from thirty to forty-five cents a bushel, but if such action is taken he is inevitably doomed to exactly the same disappointment which has been his lot after the two previous tariff experiments. As long as the United States produces a large surplus of wheat which must be disposed of in foreign markets, and in competition with the wheat exports of Canada, Argentina and Australia, a tariff on wheat is bound to be utterly futile as a means of increasing domestic prices."

Section 3.

Department of Agriculture

Las Vegas Daily Graphic for October 8 says: "Accomplishment of much desired results in eradication of evils in the livestock exchange has been reported by Secretary of Agriculture Wallace. Without any attempt at sensational methods, and without seeking to get into the limelight, the Secretary has been proceeding diligently under the recent act of Congress designed to assure the livestock producer a square deal from the buyers. One of the first moves was the investigation of commission agencies at St. Paul, Minnesota, and as a result nine firms have been fined by the stock exchange, seven have been indefinitely barred from the stockyards and two of those fined have gone out of business. All of these, in addition to the punishment imposed by the stock exchange, are still subject to punishment under the Federal law....."

Section 1.

Farm Bond Offering The press to-day states that announcement was made October 12 by the Federal Loan Board that Federal Land Banks to-day would make a combined offering of \$47,000,000 in Federal Farm Loan bonds. The securities, dated July 1, 1923, will bear interest of $4\frac{3}{4}$ per cent and will mature in thirty years. Chairman Cooper expressed the belief that the amount realized from sale of the bonds, with funds on hand, would be sufficient to meet the call upon the banks for the remainder of the year. "In view of the constantly growing strength of the Federal Land Banks and the advanced rate," he said, "the Farm Loan Board believes this offering will prove especially attractive. The advance in the bond rate will not involve an advance in the rate to borrowers."

Secretary Hoover Promotes Super-Power An Associated Press dispatch from New York yesterday says: "Half a billion dollars and 50,000,000 tons of coal could be saved every year by electricity users of eleven Northeastern States on an investment of \$1,250,000,000, Herbert Hoover, Secretary of Commerce, told a 'super-power' conference of public engineers of the eleven States Oct. 13. By developing easily accessible water power, he said, and by linking into a vast network of distributing cables the existing electricity producing stations, more power could be developed more cheaply and with a more even, dependable flow to the users. Mr. Hoover assured delegates to the conference, which had been called with the approval of President Coolidge, that it was intended as a preliminary discussion of steps Federal and State authorities might take in promoting super-power development in New England and mid-Atlantic States."

Wheat Prices Arthur D. Welton says in his Chicago letter to the Philadelphia Ledger to-day: "Veteran traders on the Board of Trade expect higher prices and the higher prices will come, they say, as the result of market conditions induced by the operation of supply and demand. To the subject of cooperative marketing they give only passing attention. Some, however, are very curious about it. Naturally they speculate. The substance of their speculation is that cooperative marketing plans, however far advanced or however strongly supported, will not make themselves felt for a long time. They say that probably there should be less spread between what the grower receives for wheat and what the consumer pays, but with bread selling at 12 and 14 cents a loaf, the miller, the railroad, the elevator, the banker, the insurance man and the speculator are only a minor part of the present marketing scheme"

Wheat Pool in South Dakota A Sioux Falls dispatch to the press to-day states that the South Dakota Wheat Growers' Association will conduct a campaign to enlist at least 65 per cent of the wheat raisers of the State in pooling of the 1924 crop. South Dakota is associated with ten other great wheat-growing States in this proposition, which is expected to have important bearing on the price producers will receive. The State Association already has 1,500 farmers affiliated with it. This number is expected to be more than doubled during the drive.

Section 2.

Agriculture in
California

The Pacific Rural Press for October 6 says: "While we must say that there are some farmers in California who are not prospering this year, it would be a mistake to say that California farmers as a class are not prospering. When the books of 1923 are balanced it seems quite likely that they will show the California farmer at the top of the list of American farmers in his earnings. Unlike the wheat growers of the Northwest our California farmers, with a series of fortunate years back of them, are by no means discouraged. On some of the less productive lands, whether fields or vineyards, there may be some let-up. Wartime prices stimulated the temporary use of some pretty poor land. It is inevitable that such lands revert to pasture or to idleness sooner or later. Individual tragedies happen when families abandon hopeless enterprises, but they can no more be avoided in farming than can the disappointments be prevented of the thousands who each year drop out of small grocery businesses, crowded out by competition."

Agricultural
Situation

Drovers Journal-Stockman for October 9 says in an editorial on administration plans for agricultural relief: "Many of President Coolidge's advisers simply have the wheat market in view when they present their plans to him, while others have the cattle market to bolster up. But Secretary Wallace comes forward with the timely remark that 'attention must be given to agriculture as a whole.' And that wheat was but one of the generalized and serious problems. The real trouble, which was brought about by Hoover's price fixing rule during the war, is to change things so that a farmer can get a fair ratio between what he has to sell and what he buys, and therein lies the nut that must be cracked. The only remedy seems to be that a united effort must be made to bring the price of raw material nearer the price of the finished product, which has been done to some extent during the past few months, but the change has not been fast enough to give the farmer any great hopes for the next year or two to come. Many farmers are adjusting themselves to conditions, feeling confident that within the next year or two the matter will be adjusted by natural causes, and that seems to be the best way to look at the matter."

Cooperative
Marketing of
Wheat

Daily Pantagraph (Bloomington, Ill.) says in an editorial on the contemplated new national cooperative society for the marketing of wheat: "This new move bears on its face the stamp of a genuine attempt to do something constructive for the grain growers of the Nation aside from patent political nostrums, which have proved futile in the past. Its success will be the wish of everyone who wants to see the whole country prosper together."

Crop Diversifi-
cation

"Very recently it has been noted in the public press that wheat-growers of the West are being advised to 'diversify their crops' in order to overcome a situation that looked almost desperate. Other advisers have urged caution in undertaking the changing of a system that had become settled and would be remunerative and satisfactory under normal conditions. It is not so easy for

the cotton planter to change his plans and when he has undertaken to raise corn and other products, extensively, the result has not always been satisfactory. The wheat growers could possibly find some other crop in greater demand, and successfully raise it--but the conditions now prevailing could also change and wheat again be demanded." (Fla. Times-Union, Oct. 11.)

Demand and Supply Wisconsin Agriculturist says in an editorial: "Secretary of Agriculture Wallace has been considering certain aspects of the agricultural situation and he says that although farm products have been low in price during the period of industrial activity and commercial expansion which began in this country a year or more ago, the urban boom has nevertheless been a great benefit to agriculture. He says that it has stimulated domestic consumption of meat and breadstuffs in an exceptional way, and in addition has accelerated the movement of population to the cities to an extent which probably will mean a permanent increase in the urban demand for foodstuffs. These consequences have once more demonstrated the reciprocal relationship between industry and agriculture. They have shown that, while prosperity may not always be equally distributed among all economic groups, it has a tendency to become so distributed.....What the active home demand has meant to agriculture appears in a clearer light when it is recognized that farm production has been continued in most lines on a scale very little below that of the war period. There has been no effective readjustment of production to correspond with the changed supply and demand situation. In other words, our farmers were producing heavily during the war and they have kept on producing since the war at about the same ratio which has caused large surpluses, because of the European outlook. Then, too, the urban boom, as previously mentioned, has accelerated the movement of population from the country to the cities. This movement, though it may not mean abandoned farms, will probably lead to diminished farm production, while on the other hand the number of consumers in the urban centers will be increased. A more economic balance, in other words, is being set up between agriculture and industry by the present active urban situation. Even if an urban depression should come, consumption of farm products probably would continue on a large scale out of the accumulated savings of the people. In the long run, the interests of agriculture and the interests of business are identical. This truth, though temporarily concealed by the apparent inadequate participation of agriculture in the benefits of the trade boom, is now coming to be recognized."

Flax Tariff

Farmer and Breeder for October 1 says: "Application has been made to the Tariff Commission for a very substantial reduction in the tariff on flax. The present tariff on flax is about forty cents a bushel. Under the provisions of the flexible tariff act this could be decreased fifty per cent by the President on recommendation of the Tariff Commission....Flax is one of the

products on which South Dakota farmers get a direct benefit from the present tariff, and the proposed reduction of the import duty would probably decrease the income of farmers in this State by \$300,000 to \$400,000 a year."

Grain Marketing

A Chicago dispatch to the press to-day says: "Application of fruit marketing rules to grain and cotton is 'the greatest blunder ever made in the cooperative movements,' John J. Stream, president of the Chicago Board of Trade, declared here. 'The thought seems to prevail,' he said, 'that cooperative ventures are in some way superior to the efforts of the independent dealer or the present marketing system, while official records show that they are subject to precisely the same hazards of any other business. Farmers have been told by ill-advised organizers that cooperative grain marketing would greatly enhance the price. To the practical grain man or student of marketing such talk is ridiculous. Should there be a successful movement to pool or store wheat and hold it from market, any price advance would be only temporary, for sooner or later the wheat would have to be sold,' he said."

Labor and Wages

Rural New Yorker for October 13 says: "We firmly believe that one reason for the present trouble with farming is the fact that too much public construction work is being done at one time. Federal, State, city and community governments are all rushing such work--from the great highways across the country to the little town bridge or schoolhouse--all are crowding new construction. Most of these enterprises are being built on borrowed capital. Bonds, usually tax-exempt, have been sold, often at a discount, but with guaranteed high interest. One reason why farmers or small operators can not obtain fair credit is because too much of the public money is tied up in these public construction works, and secured by bonds. There is a rush to put these jobs through, and the contractors pay extravagant wages and bid against each other for workmen. In one case we know a farm boy of 17 was paid \$25 a week, an eight-hour day, for driving a contractor's truck. Of course no farmer can compete with such wages at present prices of farm products, yet this case is like many others. This great rush of public construction work is using up money so as to make it hard, if not impossible, for a farmer to obtain a fair loan. It also creates a labor competition which pulls men away from the farm and makes them discontented or critical. A large share of this public construction should be called off until farm conditions are adjusted. The time to push such construction is when the towns are full of idle men--not when farmers are unable to find help to handle their crops."

Land Bank Organized

A report from New Orleans to the press to-day says: "The Louisiana-Texas Joint Land Bank, of New Orleans and Dallas, has been organized with capitalization of \$250,000 by William J. Frees. The Federal Land Bank of New Orleans reports a reasonable demand for funds to take up old indebtedness and to make extensions in agricultural enterprise."

Section 3
MARKET QUOTATIONS

Farm Products

For the week ended Oct.12: Chicago hog prices ranged from 10¢ lower to 15¢, higher for the week. Beef steers 25 to 60¢ lower, butcher cows and heifers steady to 25¢ off; feeder steers 40¢ lower to 10¢ higher and veal calves 75¢ net higher. Fat lambs weak to 25¢ higher, feeding lambs 15¢ to 25¢ and yearlings 25 to 50¢ up. Stocker and feeder shipments from 12 important markets during the week ending Oct.5 were: Cattle and calves 166,166; hogs 22,721; sheep 215,351.

Timothy hay market firm because of light receipts. Demand for better grades continues good. Prairie hay market lower at Chicago, receipts exceeding demand. Quoted Oct.12 - No.1 timothy - New York \$30, Pittsburgh \$26, Memphis \$25, Cincinnati \$24, Chicago \$26.25, Minneapolis \$20, Kansas City \$17.50. No.1 prairie Chicago \$19, Minneapolis \$16.50, Kansas City \$14.50.

Feed markets remain quiet. Wheatfeed prices steady to slightly easier. Offerings good and storage stocks accumulating. Interior demand continues very light and speculative traders who bought feed sometime ago show anxiety to resell.

Spot cotton prices advanced 73 points during the week, closing at 28.35¢ per lb. New York October future contracts up 116 points, closing at 29.19¢.

Potato markets about steady, demand slow to moderate. Long Island Green Mountain potatoes 5 to 10¢ higher in New York and Philadelphia, closing at \$2.45 to \$2.65 bulk per 100 lbs. New York Round Whites \$2.05 to \$2.10 in New York and Baltimore. Onion markets dull closing at \$3 to \$3.50 eastern stock, \$2.75 to \$3.50 midwestern stock. Cabbage markets steady. New York Domestic Round type \$25 to \$28 bulk per ton in New York and Baltimore. Eastern apples, demand slow, markets dull. Apple shipments on Friday were 1,828 cars.

Butter markets became firm with prices averaging one to two cents higher. Supply of fresh butter no more than moderate and withdrawals of storage butter have been heavy. Closing prices on 92 score butter: New York 47 1/2¢; Chicago 47¢ Philadelphia 48 1/2¢; Boston 47 1/2¢.

Cheese markets showed a tendency toward weakness. Wholesale prices Oct.12 of fresh cheese at Wisconsin primary markets. Twins 25¢; Single Daisies 26¢; Double Daisies 25 3/4¢; Longhorns 25 1/2¢; Square Prints 26 1/2¢.

Wheat prices sold highest in several days on 8th but eased off remainder of week with exception of 10th, and closed lower. Bullish influences were Government wheat conference, strength in corn, German Gold Loan and increased outside interest. Closing prices in Chicago cash market: No.2 red winter wheat \$1.11; No.2 hard winter wheat \$1.12; No.2 mixed corn \$1.07; No.2 yellow corn \$1.09; No.3 white oats 44¢. Average farm price No.2 mixed corn in Central Iowa 94¢. (Prepared by Bu. of Agr. Econ.)

Section 1.

Reclamation
Service

The press to-day says: "The entire plan of Government reclamation is endangered by the present situation of the more important projects, Secretary Work of the Department of the Interior declared October 15 in opening the first meeting of the fact-finding committee appointed by him to formulate a new reclamation policy. Radical reforms and improvements must be effected, he said, if settlers were to be protected from loss and the Government's interests safeguarded.... Complaints concerning the Reclamation Service, Secretary Work said, were that the actual cost had been so great that it was impossible for farmers to pay out within the time and manner fixed by law, or even at all; that mistakes had been made which added materially to the cost of constructed projects; that projects had been undertaken that should never have been started, and that the overhead costs of the service and many of the individual projects, all borne by water users, were burdensome and excessive."

Railroad Rates

The railroads of the Northwest are entitled to larger return than they are receiving at the present time, according to Ralph Budd, president of the Great Northern Railway. He points out that the people in the territory served by these railroads can not afford to continue for long without allowing more remunerative rates to the railroads.... "The reason for the very unsatisfactory net returns," Mr. Budd said, "is that the railroads serve, to quite a large extent, an agricultural population, and in an endeavor to alleviate the distressful conditions of the farmers in their territory the railroad rates have been advanced very much less than they have in other sections of the country. For instance, the average rate in the Northwestern region is about 40 per cent higher than it was ten years ago, while the average rate in the eastern region is about 80 per cent higher than it was ten years ago." He further declares that in the very section of the country where the railroads have done the most to alleviate the condition of the farmers, and where they are suffering from the same conditions as the farmers, is where the most attacks on the railroads are being made. (N.Y. Times, Oct. 16.)

Representative

The Philadelphia Ledger to-day says: "Two months ago Representative Fred A. Britten, of Illinois, went to Russia to substantiate his publicly expressed opinion in favor of a Russian commercial treaty. After a personal investigation of conditions under Bolshevik rule he went to the White House yesterday and left with President Coolidge a scathing denunciation of the Soviet Government, and opposed vigorously any recognition of a 'visionary Government whose very foundation is based on murder, anarchy, Bolshevism and theft.' Although he said he really tried to see the 'good side of the tremendous political theory which is now holding 150,000,000 people in subjection,' Mr. Britten said he had completely changed his opinion and was 'quite convinced that any recognition of Bolshevik Russia is only lending strength to a cause which sooner or later must fail.'....."

Section 2.

Agricultural
Situation

Price Current-Grain Reporter for October 10 says: "The problem of 'relieving agriculture' (that is to say, the wheat, or one-crop, producer) by the natural method of letting agriculture right itself, as all other industries, including those of marketing and putting farm products into condition and form to be consumed, are compelled to right themselves from time to time, is giving the administration anxious concern. It has been said that 'The foundation stone of the extreme agrarian philosophy current to-day is the contention that agriculture is the basis of our whole economic life and that therefore any aid extended to the farmer is in reality as much for the benefit of industry as it is of agriculture. Certainly it should not be difficult to point out the fallacies in this half truth so clearly that the way-faring man need not err therein. The first step in meeting the situation ought thus to be a frank and fearless explanation of the true inwardness of the current situation.' But if this explanation were made it would probably be found that the problem is less intricate, the situation less desperate, the whole matter less the business of the Government than of the individual, and less likely to be in any wise bettered by Government mediation than the farmers' leaders have led the unenquiring to suspect. It is the well nigh universal testimony of farmers and of bankers, as well as of the retail trade, even of the Department of Agriculture (in a report issued on Oct. 1), that except in the exclusively hard wheat belt of the Northwest, the condition of the farmers has greatly improved within the year and, with the abundant yields of all products in sight now to be sold at advanced prices, it will continue to improve; that land values in the Middle West are again advancing and are selling at pre-war figures at least. As nothing which the Farm Bloc in the Congress and the hysterical Agricultural Department have done for farmer relief can be pointed out that has contributed thereto, but rather has impeded that recovery, it is clear enough that all agriculture needs now is to be let alone by the Government."

British
Agriculture

Country Life (London) for October 6 says in an editorial: "After a long time, many hundreds of years or so, it seems to be dawning on those who have to do with English agriculture that if you have ardent competitors from another country the only way to get rid of them is by underselling. Anyone who examines the list of foreign products liberally sent into this country will see at once, by looking at them in detail, that this is a truth as simple as any of those enunciated by Sir Ernest Rutherford at the British Association meetings. Some 50,000,000 pounds worth of food connected with the dairy and poultry yard comes into this country.... If one of the most considerable of these imports be taken, say, bacon, it has to be admitted that Denmark sends a very good quality to this country at a price very much lower than that charged for the home product. In consequence, many households who make some pretension to taste consume Danish bacon only; yet, it is not so

good as that produced at home. The question, then, is how far is it possible to undersell the Danes? Some attribute this superiority of position in Denmark wholly to quality, and we think that they are wrong; others say that it is due to better organization and, particularly, to a better system of cooperation, and, to some extent, they are right. This question has been occupying the minds of our economists, and their views have found expression in some of the more thoughtful papers, such as, for instance, the Manchester Guardian. Mr. Montague Fordham, writing to that paper, puts forth the theory that the Danes enjoy the advantage they maintain chiefly on account of extended cooperation and standard prices. From that he argues that by adopting a modified form of the Danish organization, 'which follows very closely in principle the old guild system,' we could so manage our farming that it would be made to pay even in hard times such as the present. Next, he puts his finger on a weakness in our position. He says that the Danes found out long ago that 'unless the cooperators have practically a monopoly' the game is up. The three points that he thinks necessary to British salvation are that prices, as the Danes have discovered, must be fixed, agricultural business must be controlled by the agriculturists, and credit must be made available. He misses out a very vital consideration, however. The Danes work for export, and for exported goods a rigidly fixed standard is the main consideration. Our people do not dream of exporting foodstuffs: they would be quite content to recapture the home markets; but they can only do that by ministering to the wants of many varied classes of customers, if not to individual taste. This, however, is not a formidable obstacle if taken in hand by men who are determined to carry their ideas into effect."

Fruit Transportation

American Fruit Grower Magazine for October says: "There are two very desirable ideals which we are not likely ever to realize in this big country of ours: Enough street cars to take every one comfortably to and from work morning and evening when everyone insists on moving, and enough refrigerator cars to move all of the constantly increasing fruit and vegetable crops just when they become ready for shipment. The man with a fruit crop ready for shipment is to be excused if he shows some impatience over failure to obtain cars just when they are wanted, because his product must not be delayed. However, it is very doubtful whether many of these shippers give any thought to the tremendous investment at present, or the enormous amount of money to be spent in the future, in order to provide the railroad equipment they demand--an investment which, because of the peculiar character of the shipments handled in refrigerator cars, is bound to be unproductive for a part of the year. All things considered, and setting aside prejudices, if they exist, it must be admitted that the railroads have done very well in their efforts to serve the citrus and deciduous fruit business of the country....."

Wheat Tariff

Modern Miller for October 6 presents a symposium of opinion of millers upon Secretary Wallace's recommendation of an increase on the duty on wheat. It says: "Secretary Wallace recommended to President Coolidge an increase in the wheat duty as a means of aiding the price paid to farmers for wheat.....Certainly the state of our export trade and domestic markets make this subject a field for careful thought. Domestic flour trade is involved in this question. Equalizing wheat prices for export trade is another.....One hard wheat miller says: 'The agitation of reducing the export rates to benefit the farmer will not accomplish the desired result. You must have a general reduction both on export and domestic as the export is a very small item compared with the total volume of wheat consumed. A forced advance in wheat by reduction in export rates would have the effect of putting Canadian wheat and flour into this country at less cost to the eastern trade than the mills of this country could produce home-grown flours. From a selfish milling point of view I favor such a duty. From a broad point of view I do not favor it, that is, I think that the greatest good would result to the greatest number of people of the United States if we had no duty on wheat.'....Another says: 'We favor a duty on wheat, but we do not favor an increase in this duty as we believe the present duty should suffice.'....A third says: 'We have always felt that the industries in this country were benefited by tariff protection. The world's condition has caused us to wonder at times if we were not making a mistake. We have a surplus of wheat and other exportable products for which we find the demand has disappeared owing to the fact that our former buyers have no money. We are inclined to believe that if the present tariff laws could be suspended for a time, not only with Canada, but with other nations, and arrangements made to exchange our goods for theirs, the surplus that is piled up in different parts of the world would be brought into consumption. Naturally this would decrease wages to a basis that people would have to do more work. The values on many commodities would be lowered, but the volume of trade would be increased. This would bring about lower transportation costs and employ more labor.'

"Replies from soft wheat millers: (1) 'The natural operations of the wheat market are being interfered with by a good many outside interests, and it is difficult even for a power as great as the Federal Government to lift itself by its boot straps. On certain wheat we are practically on a domestic basis, which means that Peter might be robbed to pay Paul. Other wheat stocks in this country will have to be moved for export if at all, and it is pretty hard to lift the world price on wheat....We do favor a duty on wheat, but do not favor any increase in this duty. We are in favor of milling Canadian wheat for those mills that can do so, providing the products are exported in identical proportions.'.... (2) 'With an established policy of tariff for protection in this country it would be useless to discuss taking the duty off of wheat. The farmer will never stand for any reduction in the tariff on wheat or any other grain or products that he raises as long as we pursue any kind of tariff policy in this country. With reference to an increase in the duty, will say that we are in favor of an increase

in duty at any time it becomes apparent that a large movement of wheat into this country would tend to reduce the return which would be paid to the producer. We do not favor any modification of milling Canadian wheat whereby any mixture with the domestic wheat could be accomplished. We are in favor of milling Canadian wheat in bond whereby identical products made from the identical wheat are exported.'....."

Section 3.

Department of
Agriculture

The Progressive Farmer for October 13 says: "It is very gratifying to the women of the country and particularly the rural women that a Bureau of Home Economics has been created. It is a brand of service of which women have long felt the need. Its establishment means more complete service for farm homes and rural communities. For this the women of the country have much to thank Mr. Wallace, Secretary of Agriculture, under whose department it is. Farm work and farm economics have been fostered by brains and money in the Government, but somehow it has failed to render the greatest service to the home-maker. Now, however, a bureau of equal standing with any that exists, one worthy of the importance of the home and home life, has been brought into being and provided for, and the news is sweet to the ears."

Section 4. MARKET QUOTATIONS

Farm Products

Oct.15: Closing prices in Chicago cash market: No.2 red winter wheat \$1.10; No.2 hard winter wheat \$1.12; No.2 mixed corn \$1.07; No.2 yellow corn \$1.09; No.3 white oats 44¢. Average farm price No.2 mixed corn in Central Iowa 94¢.

Chicago prices Oct.15: Hogs, top \$8.35; bulk of sales \$7.25 to \$8.10; medium and good beef steers \$8.25 to \$11.60; butcher cows and heifers \$3.50 to \$11.60; feeder steers \$4.50 to \$8.25; light and medium weight veal calves \$8.25 to \$12.25; fat lambs \$11.25 to \$13.50; feeding lambs \$11.50 to \$13.25.

Potato markets generally steady, demand moderate. Long Island Green Mountains 5 to 10¢ lower in New York and Philadelphia, closing at \$2.45 to \$2.50 per 100 lbs. Demand for eastern onions slow, markets dull and slightly weaker. Eastern cabbage markets unsettled, demand slow. Danish type about steady at \$25 to \$30. Eastern apples demand slow to moderate, market about steady.

Closing prices on 92 score butter: New York 48¢; Chicago 47 1/2¢; Philadelphia 49¢; Boston 48¢.

Hay market remains generally firm. Demand good during early part but slackened toward last of week. Feed markets continue dull. Wheatfeeds steady.

Spot cotton up 76 points, closing at 29.11¢ per lb. New York October future contracts advanced 76 points, closing at 29.95¢. (Prepared by Bu. of Agr. Econ.).

Section 1.

Grain Freight
Rates

The New York Times to-day reports: "Part of President Coolidge's program for dealing with the agricultural and coal situations were disclosed at the White House October 16 in connection with a discussion of the transportation question between Mr. Coolidge and Samuel Rea, president of the Pennsylvania Railroad System. Suggestions advanced by Mr. Coolidge for remedying conditions complained of were taken under advisement by Mr. Rea. They can be put into effect without legislation by Congress.

"While the President and Mr. Rea were conferring on coal and grain rates, the Interstate Commerce Commission declined to order reductions in grain rates west of the Mississippi River, on the ground that the evidence presented was insufficient to call for such action. The commission, however, reopened the case and ordered a retrial of the proceedings. The commission also decided to make a general investigation of the whole grain freight situation, with a view to settle whether present charges on grain and grain products should be changed. It was declared by the commission that the inquiry would result in an order fixing all rates at just and reasonable levels."

Departmental
Buildings

A suggestion that Congress be asked at the coming session to make a continuing appropriation of \$3,000,000 to \$5,000,000 yearly for erection of new departmental buildings in Washington was received favorably yesterday in a discussion by President Coolidge and his Cabinet. It was generally felt that the Government should embark on a building program within the next year. (Press, Oct. 17.)

Farm Relief Mission

Senator Ladd, in a statement yesterday, criticized President Coolidge for sending a commission into the wheat-growing States of the Central Northwest "ostensibly for the purpose of organizing the farmers' cooperative movement" after the crop had been harvested and "the bulk of it was out of the farmers' hands." It is impossible, Senator Ladd asserted, "to effect any relief through such an organization to meet this emergency." The personnel of the commission, he added, does not "recommend itself any too highly to our western farmers." Declaring Congress had done "nothing substantial" for farmers and contending that enlargement of their credit system had only resulted in "their further enslavement," the North Dakota Senator advocated loans to farmers by the Government through postal savings banks at 4 per cent interest. (Wash. Post, Oct. 17.)

Wheat Price

A Chicago dispatch to the press to-day says: "President Coolidge's suggestion of a lowering in freight rates on wheat for export, strength in corn and buying of May by houses with eastern connection were largely responsible for a fair upturn in that grain."

Section 2

Agricultural

Credit in Britain The Journal of the (British) Ministry of Agriculture for October says: "Under Section 2 of the Agricultural Credits act, 1923, new facilities have been placed in the hands of farmers, small holders, allotment holders, and other agriculturists, for obtaining short-term loans. The object of this part of the act is the provision of machinery easily accessible to agriculturists, under which they can obtain credit to meet such expenses as the purchase of seeds, fertilizers, feeding stuffs, the purchase of breeding and other livestock, of machinery and implements, the erection of silos, barns, fencing, etc., the purchase of fruit trees, etc. This will be done by establishing agricultural credit societies which will be empowered, subject to certain conditions, to make loans to farmers, small holders or allotment holders, repayable within periods not exceeding five years, and which will also be entitled to assistance, in the shape of money advances from the State. The first point to be realized by those who wish to avail themselves of the credit facilities provided by this part of the act, is that these facilities are limited to the provision of loans made by agricultural credit societies to their members. The formation of such a society is, therefore, a necessary precedent to the making of any loans, and it is the first step to be taken in putting the scheme into operation."

Cooperation in
Holland

"The Cooperative Movement in Holland" is the subject of an article by R. van Sluis in The Irish Economist for October. It says: "There has been remarkable development in agricultural co-operation, particularly in the field of agricultural credit. There are four Central Raiffeisen Banks in Holland, with 1,214 local savings banks. Of these Centrals the neutral Raiffeisen Bank in Uheelt and the Catholic one in Eindhoven are the largest. With regard to dairy produce, cooperation has been equally successful. The Dutch Dairy Union has 445 cooperative creameries affiliated with it. In 1922 these factories utilized 1,300 million kilograms of milk for the production of cheese and butter. This is 40% of the total milk production of Holland. This Dairy Union has a central office for the purchase of agricultural requirements, artificial manures, etc., with a turnover of 2 $\frac{3}{4}$ million florins; it also has its own bank departments in Leeuwarden and Alkmaar, and a technical office under the direction of an engineer expert. Farmers have their own cooperative export societies for the sale of their products. The largest of these is the Friesland Dairy Export Society in Leeuwarden. There are other such societies in Zutphen, Alkmaar, Roermond and Rosendaal. In Hoorn there is a cooperative society for the sale of cheese. These combined societies have a turnover of fl. 100,000,000. There are also cooperative societies for the sale of vegetables and fruit, with a turnover of fl. 74,500,000. In Enschede there is the central cooperative office for the purchase of agricultural requirements for the whole of Holland, with 120,000 members, and a turnover of fl. 28,000,000. A special branch of agricultural cooperation is

the mutual insurance department, with more than 200,000 members. In short, Dutch farmers are very keenly alive to the advantages accruing to them from the cooperative organization of agriculture."

Cotton

The Journal of Commerce for October 15 says: "Invitations recently issued by the Federal Trade Commission to all parties interested to come to Washington to present their views as to what ought to be done to improve the rules and regulations under which cotton trading is transacted once more bring to the attention of the public a situation which ought to be fully understood by the whole community.....It is quite likely that there are a number of ways in which existing practices might be improved, but whether Government officials will be able to gain their own consent to the institution of sound and only sound reform is another question. At all events the impression should not be given the farmer that his position would be immediately and radically improved by any reform that may be instituted in the practices of the cotton exchanges. Such is not the case, and if cotton planters become possessed of the idea that it is, they are surely doomed to disappointment. Contrary to what some would have us believe, it is not higher prices that the cotton raisers need but some feasible method of controlling insect pests in order that the output may be increased and the risks of the business lessened. If the planter has any just complaint against the Government it is in connection with what some are inclined to consider lack of vigorous effort to discover ways and means of combatting the boll weevil."

Cotton Production

In announcing the annual convention of the American Cotton Association at St. Matthews, S.C., The Journal of Commerce for October 16 says: "A question which appears to arouse the widest interest and excite the greatest concern is the action the convention may take regarding the reduction of cotton production. In the cabled exchanges of fact and opinion which have taken place on this subject between Sir Charles Macara, representing the foreign buyers, and President Wannamaker, representing the American Cotton Association, the former insists that the South would be working against its own best interests to reduce acreage and supply. President Wannamaker's reply is that this is in conflict with Sir Charles Macara's well known advocacy of cotton supplied to the foreign cotton trade at the cheapest possible prices. The English view, which is that of course of the foreign market, is that to reduce acreage or supply of cotton under existing conditions would be unsound economics, but the producers take the position that it would be a suicidal policy to attempt to plant as large an acreage as heretofore, owing to the enormous increased expense of production and the hazard attendant upon production under boll weevil conditions. A further contention is made in the English cables that a continuance of the present prices for cotton will result in loss to the South of its control of cotton production. The reply made in behalf of the association and the producers it represents was to the effect that if any other section of the world desired to produce cotton at present prices, or lower prices, it was at perfect liberty to do so, as far as southern farmers are concerned.

It was insisted that the South would never again consent to produce cotton on a starvation wage basis and that 35,000 carefully kept reports showed the cost of producing the present crop to have been 29 cents per pound. Another matter upon which the convention is to act which is attracting wide comment in the big trade journals and in the association's correspondence is the request to be made of the United States Department of Agriculture that future Government crop estimates and reports be issued after the great industrial exchanges have closed instead of at or near their opening hours. The American Cotton Association contends also that reports be confined as nearly as possible to actual facts and that percentage guesses be eliminated or minimized in importance."

International
Education for
Cooperation

Peter Maniche, principal of the International People's College at Elsinore, Denmark, is the author of an article on this institution in The Irish Economist for October. He says in part: "The League of Nations can only give us a skeleton framework for international cooperation, but the framework must be filled in; the people themselves must understand each other. With the realization of this fact a very interesting movement began in Denmark some five or six years ago, which led to the establishment of the International People's College at Elsinore. The main object of this institution is to bring together for study and personal intercourse young men and women and fit them for leadership in such fields as the labor and the cooperative movements....The International People's College has only been in existence for two years, but it is not too early to say that friendship, clear thinking and discussion have swept away many false prejudices and brought into bold relief for many the problem of national selfishness and suspicion which obstructs progress towards a new world order. Living among such a group of people assures a comprehension of European social problems, superior in many ways to any experience gained by travel. The students differ in language, customs and social status, but the universal humanity discovered in one another puts these differences into the shade. The English, the Germans, the university graduates and the manual workers enjoy many pleasant times together: a trip on a fishing smack, a harvest festivity after all the crops have been gathered in, a musical evening with the songs of all nations, and so on. They thus absorb something of many national cultures, they learn to understand and respect national differences, and they see the problems of national citizenship in the fuller light and the larger perspective of a world society."

Tariff and
Agriculture

The Journal of Commerce for October 16 says in an editorial: "It is obviously good advice that the Representative from Ohio gives the President when he urges not more tariff but less tariff as a step to be taken in aid of the embattled farmer. Mr. Davey points out the rather obvious fact that the farmer has not been aided by the present tariff rates on agricultural products but has been really injured by the duties upon the commodities that he must buy....."

Section 3

Department of
Agriculture

The American Fertilizer for October 6 says: "The Government methods of fighting the boll weevil are proving far better than any of the substitutes. This was to be expected, for the Government experts experimented for years before they finally decided on the method to be recommended. Farmers seem to be peculiarly slow in heeding expert advice. The demand for more Government assistance comes with poor grace from men who disregard what the Government is already doing for them."

Section 4

MARKET QUOTATIONS

Farm Products

Oct. 16: Closing prices in Chicago cash grain market: No.2 red winter wheat \$1.11; No.2 hard winter wheat \$1.12; No.2 mixed corn \$1.09; No.2 yellow corn \$1.12; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 96¢.

Chicago prices Oct.16: Hogs top, \$8.15; bulk of sales \$7.20 to \$8; medium and good beef steers \$8.25 to \$11.60; butcher cows and heifers \$3.50 to \$11; feeder steers \$4.50 to \$8.25; light and medium weight veal calves \$8.25 to \$12.50; fat lambs \$11 to \$13.25; feeding lambs \$11.50 to \$13.25; yearlings \$8 to \$11; fat ewes \$3.75 to \$6.50.

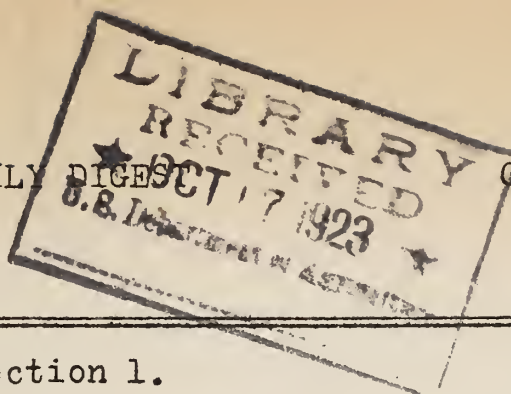
New York Round White potatoes, sacked and bulk \$1.75 to \$2 per 100 lbs. eastern cities. Maine Green Mountains, \$1.75 to \$2.05 city markets, \$1.10 to \$1.30 f.o.b. Northern Round Whites, \$1.50 to \$1.85 eastern markets.

Eastern shore of Virginia sweet potatoes, yellow varieties, \$2.75 to \$3.50 per barrel leading markets. Eastern onions, yellow varieties, \$3 to \$3.50 sacked per 100 lbs. eastern cities, medium sizes, \$2.50 to \$2.65 f.o.b. New York cabbage, Danish type, \$23 to \$30 bulk per ton, top of \$38 in Cincinnati, \$16 to \$18 f.o.b. Eastern Baldwins, \$3.50 to \$4 per barrel in Philadelphia. Jonathans \$4.50 to \$4.75 in Philadelphia and Baltimore. Midwestern Jonathans \$5.50 to \$6 in Chicago.

Spot cotton down 18 points, closing at 28.93¢ per lb. New York October future contracts down 20 points, closing at 29.75¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Oct.16,	Oct.15,	Oct.16,1922
	20 Industrials	86.91	88.06	102.60
	20 R.R. stocks	78.28	79.66	93.55

(Wall St. Jour., Oct.17.)



Section 1.

Freight Rates

The New York Times to-day says: "Railroad executives, in two meetings, one of the Eastern Railway Executive Conference to-day, and the other a special meeting of traffic vice presidents on next Tuesday, will discuss the suggestions of President Coolidge for a reduction in export grain rates, and an adjustment of the domestic and foreign coal rates. At these meetings, it is expected, plans to meet the proposal of the President will be formulated. Among the suggestions to be advanced is one for a radical revision in freight rates for all commodities, including grain and coal. While this proposal has no official public sponsor at present, those in close touch with the executives say that it is receiving consideration. Should the officials decide to act upon it, they would call upon the President and the Interstate Commerce Commission to make a complete revision of the rate structure on a scientific basis."

Electricity for
Farm Use

The press to-day says: "Cooperation of the Interior and Commerce Departments in the promotion of experiments looking toward increased use of electricity on farms was promised the American Farm Bureau Federation October 17 by Secretaries Work and Hoover. Speaking at a luncheon of the federation's Committee on the Relation of Electricity to Agriculture, Mr. Hoover declared proposed super-power systems would bring about greatly increased use of electricity on American farms. He gave assurance he would use the machinery of the Commerce Department to take a survey of the use of electricity by farmers in foreign countries and also to ascertain what experimental work had been done in electrical farm machinery. Secretary Work said the Interior Department believed increasing use of electrical machinery on farms and on Government reclamation projects would check considerably the migration of farm dwellers to cities."

Russian Grain
Agreements

An Associated Press dispatch from London to-day says: "An agreement was signed in London October 17 for the formation by a Russo-British grain export company, the Russian trade delegation announces. The company will be composed chiefly of Russian and British interests. On the Russian side will be representatives of governmental and cooperative organizations, and on the British side the Cooperative Wholesale Society and grain and shipping firms. The purpose is to finance exports of Russian grain to Europe generally. Leading British banks are prepared to finance the scheme up to 1,000,000 pounds, it is stated."

A Moscow dispatch to the press to-day says: "An agreement has been signed between the Russian and Norwegian Governments, according to Moscow newspapers, whereby Norway will buy all her grain from Russia this year. The amount is estimated at approximately 200,000 tons."

Section 2.

Agricultural Aid

The press of October 17 says: "President Coolidge was in receipt of telegraphic advices from Eugene Meyer, jr., managing director of the War Finance Corporation, and Frank W. Mondell, one of the commissioners, now touring the wheat belt to ascertain how the Government can help the farmers. In a telegram from Glendive, Mont., the Government emissaries informed the President that assurances of the willingness of the administration to make loans to bring about diversity had been given the wheat growers in North Dakota. Higher duties on wheat are 'unanimously' desired by the growers, the President was advised. They were told, it was stated at the White House, that this matter was now being investigated by the United States Tariff Commission. Chairman Thomas O. Marvin of the Tariff Commission, however, stated that no application seeking a raise in the import duty was pending and that the commission had not undertaken, on its own initiative, an investigation to determine the relative cost of production in the United States and Canada. He estimated that it would take five months for the commission to go through the necessary steps preliminary to sending a recommendation for an advance in the tariff on wheat and suggested that an appeal for direct action by Congress would be more expeditious."

Boll Weevil

The New York Commercial for October 17 says in an editorial: "The American Cotton Association, holding its convention in Columbia, S.C., has shown what it is possible to do in the way of overcoming the menace of the boll weevil. The best it has been able to do, however, has been to give a demonstration, because the funds at its disposal were inadequate in comparison with the task to be performed. When a danger is so widespread, as the boll weevil has come to be, it should not be left to private initiative to cope with it. It has become a national peril, for the economic effects of the destruction of the cotton crop would be felt not only in the South, but throughout the entire Nation. The subject should be treated like any other national peril and drastic steps taken to wipe it out. The National and State Governments should cooperate by appropriating whatever funds may be necessary and adopting whatever laws may be needed, just as would be the case if it were a pestilence instead of a pest."

Canadian Grain
Inquiry

The press of October 17 reports that the Canadian Grain Inquiry Commission, in this country to study the manner in which Canadian grain shipments are handled at the various lake and Atlantic ports, closed its conferences October 16 and will continue its hearings in Halifax, Montreal, Toronto and Winnipeg. Julius H. Barnes, former chairman of the United States Grain Corporation, appeared before the commission October 16. He was reported to have said the adulteration of high-grade Canadian wheat with low-grade American wheat would not only be unprofitable, because of the duty, but altogether unlikely, as it would necessitate bribing at least fifteen inspectors who examine the shipment

seals. Mr. Barnes was said to have told the commission he expected gradual improvement in the foreign grain trade and better prices for American and Canadian wheat.

Cooperative Marketing

The Wall Street Journal for October 15 says: "Cooperative marketing on a national scale has been decided upon at a conference in Chicago of farm and cooperative leaders. The commission appointed by the President to investigate the wheat position was present at the conference and is credited with having assured the conference that the real solution of the wheat problem is in co-operative marketing. All of us will wish success to any project that may give the farmer a larger return, and yet be frankly doubtful of the wisdom of this movement. At the conference reference was freely made to the California fruit marketing example, but this is drawing a deduction from an entirely different premise. The producers of citrus fruits, raisins and nuts in California were raising a special crop for which there was not a sufficient market. By organizing they were enabled by advertising to stimulate a demand for their products. Production is limited to a relatively small locality, but the potential demand for their products is almost unlimited if properly advertised and merchandised. Wheat is not like grape fruit. It is a staple food used and produced the world over. For generations people have eaten wheat. The consumption of it varies but little from year to year except as affected by the increase in population and prices. If people followed the advice of one of our senators--to eat one more slice of bread at a meal--they would be obliged to eat one potato less. There seems little possibility of a marketing association increasing the consumption of wheat in the United States. The people of Europe who buy wheat from other countries apparently are buying all that they can pay for at this time. No cooperative marketing could induce them to buy more. Cooperative marketing can not increase world consumption of wheat. Can it give the farmers larger return than if the wheat were sold through the speculative markets? Are the farmers themselves, whether acting as individuals or organized into cooperative societies, in a better position to judge the course of world markets than are those engaged in the grain exchanges? This is a vital consideration and it is doubtful if they are. It is doubtful if they can handle grain cheaper than the speculative markets. If they can do this, then may all success and best wishes go with them; but there is no sense in ignoring the likelihood that farmers will lose about one crop out of five in marketing in this way."

Cotton Convention Resolutions

Among the resolutions adopted at the annual convention of the American Cotton Association at Columbia, S.C., October 16, were the following: "Urging farmers of the South to study relationship of supplies to consumption and market value before determining acreage to be planted and to control production accordingly. 'We strongly urge,' adds the resolution, 'that not exceeding eight acres to the plow be planted in cotton in 1924, and that such acreage be intensively cultivated and weevil control poisons applied

so as to check weevil damage and increase the yield of lint cotton per acre.' Indorsing the average cost price of 29¢ a pound, bulk line, for producing cotton in 1923 as conservative in view of the heavy crop damage and low yield and approving the selling price of 36¢ a pound recommended by the statistical department as giving a fair and reasonable profit. Approving the plans for the boll weevil control campaign conducted by the association and calling upon all departments of the industry to contribute to its support. Calling upon bankers, merchants and other short term credit agencies in weevil-infested States to adopt a uniform method of advancing credits to cotton growers and compulsory restraint of credits to those who disregard protective measures for their crops. Approving the system of crop rotation and urging its adoption in the South. Voicing disapproval of the issuance of the Government crop reports based on 'intentions' of farmers to plant and other reports based on guesswork and urging that Congress provide funds for an accurate census each year after the cotton crop has been planted. Disapproving the issuance of reports on ginning, acreage, condition and production during active trading hours of the cotton exchanges and suggesting that these reports be issued after the closing hours. Empowering the president of the association to make representations to members of the House and Senate urging modification of the immigration laws to permit the South to draw a supply of labor from Northern Europe to replace the negroes who are migrating to the North. Approving the organization of county chambers of commerce in the cotton States to stimulate and encourage balanced farming and adoption of boll weevil control methods by the growers....Indorsing cooperative marketing of cotton and adoption of such financing methods as will avert flooding the market with cotton during the season ending July 31 each year. Urging better protection of lint cotton so that harvesting may be done with intelligent care and that the baling be done carefully and with improved materials." (Jour. of Commerce, Oct. 17.)

Farm Credits

The Washington Post to-day says in an editorial: "There is a fatal flaw in the contention by certain self-appointed champions of the farmer that financial credits available are inadequate. The assertion is in disregard of facts and figures that prove the opposite. Governor Cooper, of the Farm Loan Board, speaking recently from the record, brought out the fact that in the past year farmers borrowed less than in the twelve months preceding. The record also shows that acceptable demands for loans this year aggregate an amount only half the sum available for agricultural credits. Thus do plain facts demolish the contention that credit is inadequate to the farmer's need."

Farm Land

The New York Journal of Commerce for October 15 says in an editorial: "It has frequently been prophesied that unless there is improvement in the financial condition of the farming public during the next few years it will be the holders of farm mortgages

instead of the farmers who will be the great landowners of the country. As with most prophecies, this one is extreme, but indicates a situation with regard to the agricultural land problem that is not generally recognized, especially in eastern districts.If agricultural prices remain relatively low the chances are that many of these farms will be sold and their owners return to tenantry; in fact, this development has already occurred to some extent. From the point of view of the insurance companies these developments are not favorable to a further expansion of this type of business, although there is nothing to indicate that their present investments are insecure. The insurance companies which operate in the agricultural districts have expert land appraisers in their employ and it is to be assumed, therefore, that they hold the higher class of farm mortgages which even in case of foreclosure can be liquidated at parity. The question of national concern is whether agricultural conditions are going to be such as to necessitate foreclosure on a large scale or whether there is going to be a gradual liquidation of these debts and the return of agriculture to a more self-supporting basis."

Wool Protection in Britain

The New York Times for October 15 says in an editorial: "The woolen manufacturers of Bradford, England, are raising a bitter cry. They declare that they are unable to meet foreign competition, especially French. Hence they are demanding a protective duty on woolen goods, to prevent their being undersold in the English market. The procedure which they urge would have to be taken, if at all, under the Safeguarding of Industries act. That act expires by limitation next year, and before that time it is doubtful if the requisite official inquiry and report could be had and a favorable resolution got through Parliament.....The wool manufacture is spoken of as a 'key industry' in England. This is for the purpose of bringing it within the four corners of the Safeguarding of Industries act. But there is another sense in which it may be thought of as a 'key.' It has been long established and has played a great part in British foreign trade. If the Bradford manufacturers can not compete with the French at home, how can they hope to compete with them abroad? It is not a question of merely controlling the English market. English makers of woolen goods must find customers in other countries, or suffocate themselves in their own glut. The cotton manufacturers of England have had virtually the same problem of facing foreign competition, and have met it without asking protective taxes. The woolen men will also have to get along without such tariff aids as best they can, for they will find it almost impossible politically to obtain them. Yet their attitude has undeniable significance as a sign of the way in which some minds are working in postwar England."

Wool Sales Abroad

Auction sales of wool abroad during the past week have been without special significance. The more notable of them have been those at Hull, England, where some of the pool wools have been offered, and those at Adelaide, Australia. A little better showing was made for crossbreds at the English sale, while at the Australian the best fleece wool went up a little. (Press, Oct. 15.)

Section 3.

Department of
Agriculture

The Baltimore Sun for October 17 says in an editorial: "The southern planters who have repeatedly urged a revision in the methods of Government crop reporting ought to be heartened by concrete evidence that the New York Cotton Exchange and its allies, which they regard as their natural enemies, are now joining in the same cry.....Such men as Senators Dial and Smith, of South Carolina and Tom Heflin, of Alabama, will chortle with glee as they seize upon that phrase 'serious losses suffered by speculative interests' as confirmation of statements they have been making in the Senate for the past three years. They have iterated and reiterated that the Government cotton-crop estimates always worked against the interest of the planter by depressing the price of the commodity; they have tried to show that the Department of Agriculture had become addicted to the habit of estimating a larger crop than was actually grown, with the result that prices on the exchanges sagged during the critical period when the planters were contracting for its sale. It is another story, however, when 'speculative interests' suffer because of inaccurate or fluctuating Government reports....."

Section 4.

MARKET QUOTATIONS

Farm Products

Oct.17: Closing prices in Chicago cash grain market: No.2 red winter wheat \$1.09; No.2 hard winter wheat \$1.10; No.2 mixed corn \$1.09; No.2 yellow corn \$1.12; No.3 white oats 44¢. Average farm price No.2 mixed corn in Central Iowa 96¢.

Chicago livestock prices: Hogs, top, \$8; bulk of sales \$7 to \$7.90; medium and good beef steers \$8.15 to \$11.75; butcher cows and heifers \$3.35 to \$11; feeder steers \$4.25 to \$8.25; light and medium weight veal calves \$8.25 to \$12.50; fat lambs \$10.75 to \$13; feeding lambs \$11.50 to \$13.15.

Demand for potatoes moderate; markets about steady in the East; weak at Chicago. New York Round Whites 10 to 20¢ per 100 lbs. lower in New York and Baltimore, closing at \$1.80 to \$2 sacked and bulk. Cabbage markets dull. New York Domestic type declines \$5 to \$10 eastern cities to \$16 to \$25 per ton. Onion markets generally dull. New York onions, yellow varieties, slightly lower at \$2.75 to \$3.50 sacked per 100 lbs. eastern markets. Apple markets dull and unsettled, demand moderate.

Hay prices fluctuated with supply and demand at the principal markets. Lower grades moving slowly. Feed markets quiet.

Closing prices, 92 score butter: New York 48¢; Chicago 47 1/2¢; Philadelphia 49¢; Boston 48¢.

Spot cotton prices up 115 points, closing at 28.86¢ per lb. New York October future contracts up 125 points, closing at 29.55¢. (Prepared by Bu. of Agri. Econ.).

Industrials and Railroads	Average closing price	Oct.17,	Oct.16,	Oct.17,1922
	20 Industrials	87.56	86.91	102.00
	20 R.R. stocks	78.41	78.28	92.85

(Wall St. Jour., Oct.18.)

LIBRARY
RECEIVED
★ DEC 10 1923 ★

U.S. DEPARTMENT OF AGRICULTURE

Section 1.

Crop Outlook

Reports of a more favorable turn in the agricultural situation in the Northwest were presented to President Coolidge yesterday by Julius H. Barnes, president of the Chamber of Commerce of the United States, and Leon Shaw, editor of the Billings, Montana, Gazette. Mr. Barnes laid before the President a compilation of reports to show that steadily increased buying powers of the country's urban population was having a beneficial effect upon the condition of the farmers. Mr. Shaw told the President Montana's wheat crops this year would amount to 51,000,000 bushels as compared with 19,000,000 bushels last year. (Press, Oct. 19)

Rail Rates

The New York Times to-day says: "The first meeting of railroad executives to discuss the proposal of President Coolidge was held yesterday at the Bankers Club, under the direction of the Eastern Presidents' Conference. No decision was reached by the executives present who represented railroads in all parts of the country. One of the reasons that no steps were taken, according to L. F. Loree, who presided, was the lack of definite information as to the view of the President."

Economic Situation

The press to-day says: "Presiding at an 'optimist's birdseye view of business conditions and prospects,' Governor Crissinger of the Federal Reserve Board told the members of the Pennsylvania State Chamber of Commerce at Harrisburg yesterday that current affairs of the world contain a decided preponderance of elements that are reassuring to 'that great majority of people who do not expect and who do not want either a millennium or a revolution.' He added, however, that the 'inextricable' mixture of politics with efforts at economic rehabilitation provided serious difficulties and stayed what otherwise would stand as an unsurpassed record of world economic revival. 'The final analysis of the whole matter,' said Mr. Crissinger, 'is that the current year has been on the whole a year of conservation and moderation in both business and politics. The greatest difficulty about economic rehabilitation since the war has been that the world has had to deal with its economic problems in an atmosphere surcharged with politics. In both business and the broad field of world relationships we find disposition to caution, to moderation, to patience and reasonableness. This should be altogether gratifying.'"

Packer Legislation

A Buenos Aires dispatch to the press to-day states that in Argentina British and American meat packing companies here decided October 18 to cease buying cattle for export because of the recently enacted law compelling them to buy from producers at fixed minimum prices. The companies claim the law can not be worked and that it is impossible for them to operate under its terms. They have notified Minister of Agriculture Le Breton that they will not attempt to do business until the law is repealed or modified, or some practical way is shown them to comply with the regulations.

Section 2.

Chinese Eggs

"Commenting on the arrival at Savannah of 500 tons of eggs from China as a part of the cargo of a Hawaiian steamer, these eggs, it is reported, being preserved in some manner by the Chinese and used by bakers and restaurant men, the Florida Grower, of Jacksonville, says: 'The position of the Florida Grower is entirely correct. The public is getting no benefit of these eggs, and if the public knew the conditions under which eggs are raised in China and the stuff upon which Chinese hens are allowed to feed they would be inclined to shun the product of every bakery in which it is known that these eggs are used. In addition to the eggs themselves there is an egg powder imported in large quantities from China, and likewise sold to bakers. If there were no other reason than the insanitary possibilities connected with Chinese eggs, they ought to be excluded from this country. Moreover, every Chinese egg that is imported into the United States is directly against the interest of American farmers, and we ought to exclude them for the health of the American people as well as for the protection of the farm interests of the country.'" (Manufacturers Record, Oct. 18.)

Farm Loans

A Mitchell, S.D., dispatch to the press of October 17 states that the First National Bank, Mitchell's oldest banking institution, and its subsidiary, the First Trust and Savings Bank, with combined deposits of more than a million dollars, were closed October 16 by orders of the Federal banking department and the State Banking department. The action was necessary because of the bank's inability to collect on farm paper, according to the report.

Freight Rates 1

The New York Commercial for October 18 says: "The local grain trade views with considerable indifference the suggestion of President Coolidge to lower the export freight rates on wheat below the domestic rates as an encouragement to foreign buyers and an aid to the farmer in obtaining a good price for his products. The consensus seems to be that the situation now has narrowed down to a domestic proposition in that this country will have to take care of the surplus. Canada has a big crop and can undersell us abroad and foreign buyers are not taking hold very freely at any price. This country also can not compete with Australia and the Argentine and according to present indications the latter country is going to have a big crop.... One prominent grain man, however, was of the opinion that this was a good time to see whether or not special concessions to the farmer in regard to grain would work out to his benefit. He suggested that if the rates were reduced only on domestic wheat moving to the seaboard for export and not on other grains, or on Canadian grain coming into or through this country in bond, the earnings of the railroads would not be materially reduced and the question would be definitely settled whether we could compete with foreign wheat. If the wheat were not sold abroad the movement from the interior would cease and the railroads could not possibly be out of pocket much as a result of the experiment."

Freight Rates 2

The Journal of Commerce for October 18 says in an editorial: "It has been the hope of many of the more conservative in the general business community that President Coolidge would use his influence with time-serving legislators and others to prevent further attacks upon the railroads designed for the benefit of the farmer or the consumer of coal. From present appearances, however, he is planning to do nothing of the sort. Without waiting for Congress to meet or for the Interstate Commerce Commission in regular orderly procedure to arrive at any unbiased opinion in the matter he offers fatherly advice to the railroad executives to the effect that they voluntarily reduce freight rates upon grain destined for export and upon coal, apparently regardless of its destination. In doing so he cites the troubles, real and fancied, of the wheat grower, and the very serious burdens placed upon coal consumers the country over by the shortcomings of the coal industry itself.....If it be asserted that the action of the President in suggesting reduction of freight rates is to be considered an endeavor on his part to draw support from the more extreme in Congress and thus save the country from still more radical measures, the evident reply is that the best interests of the country are not likely to be served by any such weak compromise with destruction. We have already had entirely too much of that sort of thing. What we need is a strong, constructive action which would give the farmer what aid he deserves and enable him to work his own way out of the morass in which he, in common with a good many others, finds himself."

3 The Providence Journal for October 18 says in an editorial: "The statement of President Markham of the Illinois Central Railroad that the consumer pays the freight on commodities is undoubtedly correct, yet an attorney of Sioux City in a long newspaper communication argues that in the case of the grain farmers Mr. Markham's observation does not cover the situation. It is difficult to find in the attorney's long letter anything which proves that the farmers have a real grievance against the carriers, whose charges are based upon the cost of the service; quotations of variations in prices in different parts of the country do not constitute a valid indictment of the transportation cost on wheat and corn. The writer finds that when corn was worth eighty-eight and one-eighth cents in Chicago the farmer at Clinton, Iowa, received eighty and eighty-seven one hundredth cents; and the Yankton farmer seventy two and forty four hundredth cents; he can not see that the consumer paid the freight. Obviously the railroads can not ignore distance in the fixing of freight tariffs; the rate on grain raised at a point remote from the central market ought to be higher than on a shipment from a farm near Chicago. But it does not follow that the Yankton farmer is making less money than his Clinton competitor, notwithstanding the differences in the prices quoted. As a rule the farmer located a long distance from the point of sale or consumption has lower-priced land; more favorable tax assessments; the chances are that the Yankton man actually made as much money as the Clinton farmer, who received a

few cents more for his corn. Again on the day referred to by the Sioux City lawyer there was a difference of two cents a bushel on grain in Peoria and Chicago, although the freight rate was the same to both cities. Thus it appears that not all the variations are due to transportation charges. The attorney's error is in the assumption that there is only one central price plus the freight charges; the fact is that there are hundreds of prices at the various shipping points. The willingness of farmers to locate in the less accessible sections of the grain-producing States shows that they have in mind the chance of making more money where the lower cost of growing corn more than offsets the high freight tariff to the central market. The South Dakota farmer, accordingly, may be as prosperous as his more favorably located competitor in Iowa. And the consumer pays the freight, whatever the net profits of the farmers may be."

Population and
Resources

The Wall Street Journal for October 15 says: "Is the world becoming overcrowded? In a discussion of population and unemployment, Sir William H. Beveridge, a well-known British economist, claims that it is not. This is in sharp disagreement with some economic thinkers of the day. He probably would have been more practical, however, if he had said that the question is to be answered either in the affirmative or negative by the attitude of labor towards production. Increase of population is one of the most impressive facts of the past century. Unfortunately our legislators, reformers, uplifters and labor leaders have not as a whole grasped its tremendous importance. It is a fact, however, that the pressure of population upon the world's resources is behind much of the uneasiness and discontent engendered by the rising cost of living. When Malthus wrote that there were too many people here for the earth to support, Europe had a population of about 175,000,000. To-day it has approximately 435,000,000. In the intervening time it has helped to people the Western Hemisphere and other parts of the world, our own population increasing in that time from a handful to 110,000,000. Perhaps economists until recently did not notice the importance of this enormous increase in the world's consumers because our new inland empire furnished an outlet for the overflow. It also supplied an abundance of cheap food and raw materials for those who stayed behind and thus in turn encouraged a still greater increase in population. The rapid rise of the big cities of the United States was due to the world demand for our surplus foods and raw materials. But now our great public domain is distributed. Population may increase, but natural resources never remain what they are and were. There is not more iron, coal or oil in the earth than a hundred years ago, nor more timber in our forests or more fertility in the soil which feeds the world. Instead, these natural resources are being depleted year by year, while the number of consumers rapidly increases. Here is the foundation of increased prices and higher living costs. As consumers increase and natural resources remain stationary or decrease will the gloomy predictions of Malthus be justified? Will the earth become over populated? This is a question which man alone can answer by his actions. The earth has not yet yielded her

full increase, but the law of diminishing returns can be met only by increase of production. Every strike, every limitation of output, every lessening of production has a bearing on this question. Whether the earth can be made to yield enough of food and raw materials to support the population depends entirely upon labor's attitude toward increasing production, which science, invention and technical progress make possible."

Wheat Prices

Des Moines Capital for October 7 says in an editorial: "If wheat can not be produced at a profit a great problem is presented. There would seem to be no way to cheapen the production of wheat. No new application of machinery can be given to the production of wheat. The people who buy and use wheat for food would make no complaint if the prices were increased. But the world at large and those ^{who} buy and sell wheat as a business would complain if the price of wheat were fixed at a higher point than at present. The wheat producer's real remedy at the present time would consist of cutting down the amount of wheat produced. It is evident that the cost of producing wheat can not be reduced. And it is evident that the general public is willing to pay more for wheat. Therefore the only way to get more would be to reduce the supply. When a manufacturer finds the market overstocked, he shuts off the power and stops the machinery....In China the Government buys rice for the purpose of storing it, but the purchase is in the interest of the consumer and to prevent a higher price. Government purchase in this country would be for the purpose of supporting a higher price. If in this country the man who grows the wheat could receive the price which the consumer pays, he could live and continue to grow wheat. But when the wheat starts toward the consumer it must yield a profit to too many intermediate agencies. If the Government would simply cut out the middle man the proposition might be more reasonable. But cutting out the middle man would apply to so many other products and so many other industries that the Government would soon own everything and every man who wished to work half time for full pay would be seeking Government employment."

Section 3.

Department of Agriculture 1

The Duroc Digest for October 15 says: "Secretary Wallace recently set the country aright on the subject of exports of farm products. It has been the popular belief that there has been a heavy falling off in exports of farm commodities during the last year or so and a good deal of gloomy talk has been introduced in regard to the prospects for the disposal of this year's wheat crop.....Secretary Wallace's figures, however, lend considerable hope to a larger exportation of foodstuffs than some people have been willing to figure upon.....There are a lot of rumors of different kinds and statements by various interests as to the effect of our foreign trade in agricultural products. It is well to know the source of such rumors and to balance all aspects of the foreign trade and our own home production and market situation before allowing ourselves to be prejudiced or alarmed."

Department of
Agriculture

2 Florida Times-Union for October 13 says: "Secretary of Agriculture Wallace gives the American farmer a clean bill of health, affirming that 'he is our best conservative citizen.' That's something for every farmer to 'live up to,' in deeds as well as in words."

Section 4.
MARKET QUOTATIONS

Farm Products

October 18: Closing prices in Chicago cash grain market: No.2 red winter wheat \$1.08; No.2 hard winter wheat \$1.09; No.2 mixed corn \$1.10; No.2 yellow corn \$1.12; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 97¢.

Closing prices of 92 score butter: New York 48¢; Chicago 47¢; Philadelphia 49¢; Boston 48¢.

Chicago livestock prices: Hogs, top, \$7.75; bulk of sales \$6.80 to \$7.60; medium and good beef steers \$8 to \$11.40; butcher cows and heifers \$3.25 to \$10.90; feeder steers \$4.35 to \$8; light and medium weight veal calves \$8.25 to \$12.50; fat lambs \$10.50 to \$13; feeding lambs \$11.25 to \$13.10.

Potato markets unsettled in the East, weak at Chicago, demand slow. Northern Round Whites 10 to 15¢ lower in Chicago at 90¢ to \$1.10 sacked and bulk per 100 lbs., 85 to 95¢ f.o.b. Onion markets generally dull, demand slow. New York yellow varieties, slightly lower at \$2.75 to \$3.50 sacked per 100 lbs. Cabbage markets about steady, demand slow. Eastern apples, demand slow to moderate, markets dull.

Feed markets quiet. Hay prices fluctuated with supply and demand at the principal markets. Demand for better grades continues good, lower grades moving slowly. (Prepared by Bu. of Agri. Econ.).

Industrials and
Railroads

Average closing price	Oct.18,	Oct.17,	Oct.18, 1922
20 Industrials	87.46	87.56	101.26
20 R.R. stocks	78.42	78.41	92.59

(Wall St. Jour., Oct.19.)

Section 1.

The President and Tax Revision The press to-day says: "Congress, in the opinion of President Coolidge, should undertake revision of taxes at its forthcoming session provided conditions warrant a scaling down of the present levies. The President has been giving some consideration to the tax question and to-day will confer with Senator Smoot, who is in line for chairmanship of the Senate Finance Committee. Senator Smoot believes that half a billion dollars could be lopped off Federal taxes, but advocates leaving the tax question alone on the ground that tinkering with it in the next Congress would be dangerous and also because the present law should be given a further test to determine the most advisable changes."

Packers in Argentina A Buenos Aires dispatch to the press to-day says: "The action of the British and American packers in Argentina--the latter including Armour, Swift and Wilson interests--in refusing to buy cattle for export under the new law fixing minimum prices has created a state approaching panic among the Argentine cattle producers, who called a meeting October 19 to consider what action to take. The country is anxiously waiting developments, as the packers' action suspends the industry, which is Argentina's chief source of wealth, and disastrous effects are feared unless some solution of the difficulty is reached. There are in Argentina no other packing plants with export facilities, and the cattle raisers are, therefore, seemingly helpless as long as the packers maintain what the producers term a boycott against them in order to compel annulment of the price fixing law. Most newspapers support the cattle raisers, and some of the officials of producers' associations call on the industry to stand firm against the 'foreign meat trust' until it is obliged to give in. The packers, on the other hand, maintain that they are simply unable to do business under a law which they characterize as impracticable, uneconomic and unconstitutional, and say they will not attempt to resume activities until the Government devises a relief from it."

Agricultural Prices The Washington Star for October 19 quotes the Omaha Bee as saying: "It costs \$1.20 to \$2.80 to produce a ton of bituminous coal and \$1.23 to produce a bushel of wheat. The coal sells at the mines for about \$5.50 a ton. The wheat sells at the farms for about 85 cents a bushel."

Egg Shipments A Seattle dispatch to the press of October 20 says: "Shipments of eggs from Western Washington to New York this year will total at least 725 carloads, according to the Washington Cooperative Egg and Poultry Association. Producers are being paid 48 to 50 cents a dozen for firsts, and it is claimed these eggs command a premium in the east of 8 cents a dozen. Local consumers are paying 60 cents a dozen for white eggs."

Section 2.

Cooperation

Hoard's Dairyman for October 19 says: "It might be assumed from certain statements made that the American farmer is more indifferent to cooperation than any other farmer in the world. As we study cooperation of the various nations and conditions under which farmers are placed, we are led to believe that the American farmer is as good a cooperator as any farmer. One of the drawbacks to cooperation is the lack of common interest in a community. In communities where farmers are engaged in the breeding of one kind of livestock, or selling the same kind of product, will be found a good cooperative spirit, but if there are many interests such as hog raising, beef raising, grain farming, dairying, etc., then it is more difficult to form cooperative societies or to get the farmers to work together. Denmark is very frequently held up as having an ideal system of cooperation, but upon close study it will be found that they have their difficulties the same as we and by no means do all the farmers sell all their products through cooperative organizations. Denmark is a small country, about one-third the size of Wisconsin. They have made dairying and hog raising their chief industries. This gives them an opportunity to form cooperative organizations and to work more effectively than in a country like ours where the farms are large and a large variety of farm commodities raised....."

Cotton Market

The Wall Street Journal for October 19 says in an editorial: "Thus far there has been less cotton pressing upon the market and the foreign demand has offered a greater outlet than a year ago. Judging from the interior movement it is a fair inference that the farmers will not rush their cotton to market as rapidly as usual. If they do not, then the usual experience of a buyers' market would not be witnessed. Naturally, therefore, a decline in October could not be expected to go far. It seems as if the only thing that could drive it down would be a flat refusal on the part of the consumers to buy cotton and then it would be a contest between them and the producers to see which could hold out the longest. The mills are not anxious to follow the advance in cotton for the reason that they can not sell their goods. If they do not follow the market up, a sustained advance would not be possible. Moderate declines, therefore, are to be expected from time to time from the present rally. Yet the whole trend is upward. There are a few facts which can not be ignored; last year the world consumed 12,600,000 bales of American cotton and to do this had to dig deep into the carry-over. This year the crop is officially estimated at 1,500,000 bales less than that. There is a grave doubt as to even that amount being picked. The market, therefore, while subject to moderate declines should quickly respond to any development showing an improvement in demand or the possibility of even a slight loss in the estimated production."

Food Prices

The retail food index issued by the United States Department of Labor shows that there was an increase of 2 per cent in the retail cost of food in September, 1923, as compared with August, 1923. In August, the index number was 146, in September, 149..... During the month from August 15, 1923, to September 15, 1923, the average family expenditure for food increased in 46 cities as follows: Los Angeles, Louisville, and St. Louis, 4 per cent; Baltimore, Bridgeport, Buffalo, Cincinnati, Columbus, Fall River, Memphis, Mobile, New Haven, New Orleans, Portland, Oreg., San Francisco, and Seattle, 3 per cent. Birmingham, Chicago, Cleveland, Dallas, Detroit, Kansas City, Little Rock, Milwaukee, Minneapolis, Newark, New York, Norfolk, Omaha, Pittsburgh, Providence, Richmond, Rochester, St. Paul, Scranton, and Springfield, Ill., 2 per cent. Atlanta, Denver, Houston, Indianapolis, Jacksonville, Peoria, Philadelphia, Salt Lake City, Savannah, and Washington, D.C., 1 per cent. Three cities decreased in price as follows: Manchester, 1 per cent; Charleston and Portland, Me., less than five tenths of 1 per cent. Boston, and Butte showed no change during the month. For the year period, September 15, 1922 to September 15, 1923, all of the 51 cities showed an increase. Cleveland, 11 per cent; Bridgeport, Detroit, Indianapolis, and Philadelphia, 10 per cent; Baltimore, Chicago, and Scranton, 9 per cent; Boston, Columbus, Denver, Fall River, Louisville, Manchester, Milwaukee, New Haven, Pittsburgh, 8 per cent; Birmingham, Buffalo, Mobile, Newark, New York, Norfolk, Omaha, Providence, Rochester, and Washington, D.C., 7 per cent; Atlanta, Cincinnati, Memphis, Richmond, St. Louis, St. Paul, Salt Lake City, and Savannah, 6 per cent; Charleston, Jacksonville, Kansas City, Little Rock, Los Angeles, Minneapolis, Peoria, Portland, Me., San Francisco, and Springfield, Ill., 5 per cent; Butte, Houston, and New Orleans, 4 per cent; Dallas, Portland, Oreg., and Seattle, 3 per cent. As compared with the average cost in the year 1913, food in September, 1923, was 59 per cent higher in Detroit and Richmond; 58 per cent in Washington, D.C., 57 per cent in Baltimore, Chicago, and Providence; 56 per cent in Buffalo; 55 per cent in Boston, New York, and Scranton; 53 per cent in Fall River, New Haven and Philadelphia; 52 per cent in Manchester and Milwaukee; 51 per cent in Birmingham, Cleveland, and Pittsburgh; 49 per cent in Charleston and Newark; 48 per cent in St. Louis; 47 per cent in Atlanta, Cincinnati, Indianapolis and San Francisco; 46 per cent in Minneapolis and Omaha; 45 per cent in New Orleans; 44 per cent in Dallas; 43 per cent in Los Angeles; 42 per cent in Seattle; 41 per cent in Little Rock and Memphis; 40 per cent in Jacksonville, Kansas City, and Louisville; 36 per cent in Denver, and Portland, Oreg.; and 28 per cent in Salt Lake City. (Press statement, Oct. 19.)

Freight Rates 1

The New York Commercial for October 18 says in an editorial: "President Coolidge's suggestion that export freight rates for wheat be reduced will probably be acted upon favorably by the railroads, if only for psychological effect. To just how great an extent it will stimulate exports remains to be seen, because nothing that this Government can do nor any agency within our borders can create export markets where none now exist. If it is merely a

matter of price that is holding our wheat back, a reduction in freight rates would be bound to help materially, but if it is because our foreign customers are too poor to buy our wheat, then it would be of no avail. Canada has a large surplus of wheat to export and the probability is that any plan adopted on this side of the border to reduce the price at which wheat can be sold abroad would instantly be met by a corresponding reduction on the part of Canadian farmers. It gets down, therefore, to the old fundamental proposition of supply and demand, plus credit. Nevertheless, the move is a good one. The probability is that the greater share of the joint rate reduction would be borne by the eastern trunk lines, because they are in the better position to stand it. The position of the northwestern roads has been attracting attention because they have not shared in the prosperity of the eastern roads for precisely the same reasons that the farmers of that section are in distress."

Freight Rates

2 The Wall Street Journal for October 19 says in an editorial: "If a further reduction were made in freight rates on grain for export--already 25 per cent below the domestic rates from the primary markets--it would be of no benefit to American farmers unless it were confined to the movement of wheat grown in the United States. In that case the reduction would amount to little in revenue to the carriers and its advantage to the farmers would promptly be offset by reductions either in the carrying charges or the price of competitive grain at Liverpool. A vast amount of Canadian grain goes out through American ports, particularly after navigation is closed at Montreal, and Canada has this year not less than twice as much grain for export as has the United States. It can not be imagined that, faced with a reduction in export rates on American grain, the farmers and grain dealers of Canada would lose any time in forcing similar concessions via Canadian routes. American carriers would then have to extend the reduced rate to Canadian grain or submit to the loss of that tonnage to the northern route at least until the beginning of December. Other possible complications loom up. Lake carriers are not subject to rate regulation and it is not impossible that they might attempt to raise their charges by the equivalent of the reduction in the rail rate from Buffalo, or some part of it. In that case the whole effort to give the American farmer an advantage would be defeated. Whatever the exact course of events might be, the controlling fact is that Canada and the United States alone have as much exportable wheat this year as Europe can afford to buy, and the harvest of a promising crop in the Southern Hemisphere will begin in about six weeks, further increasing a world surplus coming largely from countries which raise wheat more cheaply than we. In the nature of things, no occupant of the White House can set himself up as an expert on freight rates, ocean transportation and world markets, and President Coolidge may be trusted not to pose as such. He has followed the wise course of referring proposals which have been made to him to leaders in the business concerned and naturally will give due weight to their reply. It would be particularly unlike Mr. Coolidge to lend himself to any scheme for offering the farmer a gold brick."

Legislation for
Farmers

The Christian Science Monitor for October 16 says in an editorial: "Eugene Meyer, jr., chairman of the War Finance Corporation, advises the western farmers against attempts to remedy prevailing conditions of agricultural depression in the United States by class legislation, and urges them to seek improvement by co-operative effort in financing their industry through existing agencies. Delegates from the National Grange, the oldest and strongest farm organization in the United States, with more than 1,000,000 members, waited upon President Coolidge to record their protest against calling a special session of the Congress, and stated that they were not in favor of an increase in the tariff on foreign wheat, as they did not believe that the operation of economic laws could be changed by legislation. To those editors who have been denouncing the farmers' movement for more equitable conditions as dangerous radicalism and an attack on property interests, this action by the Grange is doubtless surprising, and in some directions it is regarded as an admission that there is no real basis for the farm bloc and the independent political farm movement. This conclusion, however, is hardly justified, as many of the most influential of the farm leaders take the position that the remedy for existing adverse conditions is not to be found in class legislation for the farmers, but in the repeal of all laws enacted at the instance of privileged interests and in a substantial reduction of the burden of national, state and local taxation that has so greatly increased the cost of everything the farmer buys. That the farmers should look to selfhelp, instead of to Government aid, for escape from what in many regions are intolerable conditions, is sound advice, from whatever quarter it comes. But those who have been loudest in their protests against what they term 'appeals to class interest' conveniently forget the many laws on state and national statute books enacted at the request of some particular interest. It would be unwise to try to raise the price of wheat by law, but the raising of prices of manufactures by tariff laws is not unknown. Forced reductions in freight rates on farm products, in order that the farmer may get a fair return for his labor and capital invested, may not be justifiable, but something has been heard from the railway interests of a request for permission to advance rates so that they can earn what they consider a fair return on their capital. Class legislation is indefensible, whether for farmers, manufacturers, labor, or any other interest."

Prices

The trend in the general level of wholesale prices which has been gradually downward since May took a decided upward turn in September, according to information gathered in representative markets by the U.S. Department of Labor. The department's index number, which includes 404 commodities or price series weighted in proportion to their relative importance, rose from 150 in August to 154 in September, or an advance of nearly $2\frac{3}{4}$ per cent. The group of cloths and clothing showed the greatest increase over the preceding month, due mainly to the marked advances in raw silk, print cloths and cotton yarns. The index number for the group rose from 193 to 202, an increase of more than $4\frac{1}{2}$ per cent. (Press statement, Oct. 17.)

Section 3.

Department of
Agriculture

The Daily Drivers Journal-Stockman for October 16 says in a editorial: "Anent the suggestion from the Department of Agriculture that hog growers concentrate on producing bacon instead of lard hogs the writer remembers addressing a Nebraska farm meeting several years ago in which he advocated the growing of a 240-pound hog as the most economical animal to produce as well as the highest priced from the packer's standpoint. 'That's true enough,' said a veteran farmer, 'but what are we going to do with all our corn? In my section, it is not so much a question of growing hogs as of marketing our corn to the best advantage.'"

Section 4.

MARKET QUOTATIONS

Farm Products

Oct.19: Potato markets dull, demand slow. New York Round Whites slightly lower at \$1.85 to \$1.95 sacked per 100 lbs. eastern cities, \$1.35 to \$1.50 f.o.b. Demand for sweet potatoes slow, markets generally steady. Eastern Shore Virginia, yellow varieties, \$2.25 to \$3.50 per barrel leading markets. Onion markets generally dull, demand slow. Cabbage markets unsettled. Demand slow to moderate. New York Danish type slightly lower at \$25 to \$30 per ton city markets, \$15 to \$18 f.o.b. Apple markets about steady, demand limited. Eastern Baldwins \$4 per barrel in New York and Philadelphia.

Chicago livestock prices: hogs, \$7.50, bulk of sales \$6.60 to \$7.40; beef steers \$7.85 to \$11.25; butcher cows and heifers \$3.10 to \$10.75; feeder steers \$4.35 to \$8; light and medium weight veal calves \$8 to \$12; fat lambs \$10.50 to \$12.85.

Hay market remained generally firm. Markets very quiet.

Closing prices of 92 score butter: New York 48¢, Chicago 47¢, Philadelphia, 48 1/2¢; Boston 48¢.

Closing prices in Chicago cash grain market: No.2 hard winter wheat \$1.09; No.2 mixed corn \$1.10; No.2 yellow corn \$1.12; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 97¢.

Spot cotton prices up 47 points, closing at 29.20¢ per lb. New York October future contracts up 44 points, closing at 29.67¢. (Prepared by Bu. of Agri. Econ.).

Industrials and
Railroads

Average closing price	Oct.19,	Oct.18,	Oct.19,1922
20 Industrials	87.51	87.46	102.01
20 R.R. stocks	78.67	78.42	93.28

(Wall St. Jour., Oct.20.)

Section 1.

Northern Farmers Urged to Go South Officials of the Southern Railway are taking steps to encourage white farmers from the North to take up small farms in the South as one means of saving the agricultural production of the South, which has been seriously threatened by the exodus of the negro farm labor. Higher wages and improved living conditions offered by the factories and mills in the North, some of which have sent labor agents in large numbers through the South, have resulted in a rush during the past few years of negroes to the North, it is said. (N.Y. Times, Oct. 22.)

The same journal says in another report: "Signs of a strong southern trek of negroes who migrated North by the thousands during the spring and summer are apparent, and the southern planter and employer is receiving the prodigal with open arms, hoping that his experiences will prove a lesson and make him loath to succumb to the lure of the big pay envelope next year. One movement is from Chicago and other Lake Michigan cities, where a recent estimate of investigators showed that there were on October 1 about 17,000 negroes, men and women, in the ranks of the unemployed."

Reclamation Cooperation Cooperation between the Western States and those of the South in seeking expansion of the Government's reclamation policy to embrace all sections of the country will be the object of the forestry, reclamation and homemaking conference to be held at New Orleans November 19 to 22, according to a press announcement of October 21.

Secretary Hoover "Commercial strength of the world has improved during the on World Trade last year, except in central Europe, Secretary Hoover said yesterday at a meeting of the foreign commerce department of the Chamber of Commerce of the United States. Two sore spots only were noted by the Commerce Secretary--the American agricultural situation and conditions in Germany. Speaking of American farming conditions, Secretary Hoover referred to the disparity of prices of many agricultural products with those of other industries, more particularly in that the difficulties of the wheat farmers in certain portions of the West are acute. In Germany, he said, the situation affects the rest of the world, contributing to the depression in American agriculture. This is true, he added, particularly in relationship to animal products." (Wash. Star, Oct. 21.)

Canadian Cattle at St. Paul The press to-day says: "Canadian cattle are again reaching the South St. Paul yards in liberal volume after a lapse of several weeks. Notwithstanding the heavy duty and the none-too-good price in this country, the cattle appear to sell at some profit to the dealers who ship them from the Dominion."

Section 2.

Land Reclamation

The Providence Journal for October 18 says in an editorial: "Is the Reclamation Service breaking down? That would appear to be the situation from the statement by the Secretary of the Interior that the accumulated cost of construction, the overhead and a mounting burden of unpromising projects run into such figures that the supposed beneficiaries are unable to meet the charges. The Government's investment is threatened accordingly... A large engineering and financial enterprise has been conducted for twenty years under the Reclamation act. It should not be a matter for surprise if by this time there are many loose ends to it. The net investment amounts to two hundred million dollars, and 3,419,702 acres of land are under the control of the service; for one-half of which a water supply has been provided, while about one-third is actually irrigated. This is one of the greatest public works that the Government has ever embarked on. It was the idea that after a storage reservoir had been built and an arid area reclaimed settlers would take up the land and pay for it on installments--so the Government would be compensated for the original outlay and the cost of maintenance. Nothing was said about interest, of course. By this subsidy operation the Nation's productive acreage has been greatly increased; so much so, indeed, that the present Secretary of Agriculture is reported to be concerned lest the prices of crops be unfavorably affected by the enthusiasm of the Secretary of the Interior for making the deserts yield. The Reclamation Service as a going concern rests, of course, on the crops raised on the reclaimed lands and marketed. But the irrigation farmers have not always found it easy to keep up their payments and the proportion of delinquents is increasing.... Judged by business standards the Reclamation act is apparently not working out successfully. Neither is it if judged according to the benevolent rule stated by the Secretary of the Interior, that its success is to be measured by 'the extent to which the reclaimed lands are utilized in making self-supporting American farm homes.' Too many of the homes are not self-supporting, and to some of the reclaimed districts there has been no rush. What is the trouble--Do the irrigation farmers lack thrift, or are they poor hands at agriculture? Are the engineering works so extravagant that they can not possibly be paid for from the soil in a reasonable time? Has there been a waste of funds on areas that were next to hopeless as reclamation projects? Private irrigation enterprise in the West seems to have done very well; would it have succeeded if much of the Government work had been left to it? There can be no thought of abandoning the reclamation policy, but Secretary Work is justified in seeking to find out where the Government stands after twenty years of driving ahead."

Latin American
Trade

The Trade Record of the New York National City Bank says in its October 22 report: "Trade of the United States with her Latin American neighbors will be nearly \$2,000,000,000 in the calendar

year 1923 against three-quarters of one billion in the year immediately preceding the war. This growth in trade with our Latin American neighbors occurs especially in the exports, which will total in 1923 about \$675,000,000 as against \$282,000,000 in the fiscal year 1914, all of which immediately preceded the war. The share which shipments to that section of the globe now form of our total exports is much larger than in the year prior to the war and will be approximately 18% in 1923 as against about 12% in 1914. Still another encouraging factor in the figures of our trade with Latin America is found in the fact that the official records of those countries show that they are now taking a much larger share of their imports from the United States than prior to the war."

Roads in Virginia Manufacturers Record for October 18 says: "The Spartanburg, S.C., Herald, discussing the question now much asked in Virginia, and to which the Manufacturers Record recently referred, 'What is the matter with Virginia?' said: 'Virginia is not a great industrial State because its people are too conservative, or given to contemplating their ancestry. Southside Virginia is not a fertile country, its lands are poor and the population comparatively small. But the Valley of Virginia and the southwestern part of the State has fertile soil, its lands are exceedingly valuable and the people who own them find that they live most comfortably and most pleasantly. They live in peace and plenty and there is no occasion for disturbing very comfortable conditions with industrial activities. They have all they want from their farms.....Virginia's backwardness in road building is today its most noticeable deficiency. And in this the State is doing itself a great injustice.But what Virginia probably needs more than anything else at the moment is a great road building campaign; one about which the State could unceasingly boast; one which would stimulate every thought and activity of the State. Out of this stimulation would come a broader vision in regard to the illimitable possibilities for developing in Virginia a higher and more prosperous agriculture and creating industries there which would place Virginia among the foremost states of the country. So long as Virginia produces \$266,000,000 less of manufactured products than the one city of Baltimore, so long will it fail to measure up to its full possibilities. If Virginia could announce to the world that it had entered upon a road building campaign matching that of Maryland a few years ago, which revolutionized that State, or such a campaign as that which North Carolina is now carrying on, every interest and every industry in the State would be quickened into greater life."

Rural Credits

The Fort Wayne Journal-Gazette for October 16 says in an editorial: "'How can the farmers or any one else,' asks McAdoo, 'no matter what laws are on the books, have credit, as long as they are making losses instead of profits?' And if the farmer is making profits he need not worry about credit. The former Secretary of the Treasury suggests, as the primary need of the farmer, more markets, foreign and domestic, with reasonable transportation rates to reach them; and the ending of a tariff which

compells the farmer to pay more for everything he buys, while getting no more for the things he sells; and a foreign policy that will assist instead of retard in the restoration of the lost markets across the sea. Like most thinkers who have given attention to the subject, he is impressed with the inevitability of cooperative marketing. On this he says: 'The cooperative marketing movement among farmers ought to be encouraged by wise laws and policies. Those being provided, farmers themselves can accomplish great things through intelligent organization and action.'

Stevenson Rubber Scheme

The Rubber Age for October 10 says: "On July 31 the quarterly period under the rubber restriction scheme came to an end, and it was officially announced that the percentage of standard production of rubber that may be exported on the minimum duty from Ceylon, the Straits Settlements and the Malay States for the next three months has been fixed at 60 per cent. During the past three months the price of rubber has been on an average less than 1s.3d. per pound, but in the preceding three months the average price was above this figure and consequently at the end of April the exportable proportion at the minimum duty was raised from 60 to 65 per cent. So long as rubber remains over 1s. per pound but under 1s.3d. the percentage remains at 60 per cent of standard. Nine months' experience of the working of the Stevenson restriction scheme has certainly disproved many of the adverse prophecies which were made as to its effects. Perhaps one of the most satisfactory features is that restriction has not led to any wild jump in the price of rubber, or that the stimulation of consumption by a moderate price for the commodity has not been prevented. It hardly seems likely, however, that the price of rubber can remain much longer at the present level. It is, of course, impossible to name any exact date as to when the movement will come, but sooner or later improved conditions, from the planters' point of view, must favorably affect the price and consequently share values. It is noteworthy that even the moderate recovery in the commodity market which has been seen during the last 12 months has enabled a large number of companies to resume the payment of dividends."

Tariff on Wheat

The Daily Argus-Leader for October 15 says: "Arguments that the tariff on wheat does not help the American farmer are being riddled by the daily wheat market reports showing prices paid in this country and in Canada. American wheat growers ever since the emergency tariff of May, 1921, have received more for their grain than Canadian growers. To-day wheat in Minneapolis is quoted at 20 cents a bushel more than wheat in Winnipeg. There have been days recently when the difference was even greater. These facts show there is something wrong with the free trade internationalist argument that the tariff does not affect American wheat prices so long as this country has a surplus of wheat for export....If millers could get Canadian hard wheat without paying a duty, their competition for the American supply would be lessened and the price correspondingly weakened. There is another obvious effect of the tariff. Canada ships most of its wheat to Europe by way of the Great Lakes. When the lakes freeze up in December, the movement is

blocked. But for the tariff, the grain would be diverted to the United States, where it would inevitably exercise a depressing effect on prices. There is always a price slump in Canada after lake navigation closes. A corresponding slump could not be averted in this country were our markets open to the Canadian wheat supply.

Water Transportation The Daily Drivers Journal-Stockman for October 16 says in an editorial: "Western farmers are vitally interested in cheaper inland water transportation, not so much on account of its cheapness as because it forces the railroads to reduce tariffs."

Section 3.

Department of
Agriculture 1

"Common sense supports the disapproval voiced by the American Cotton Association of the practice of the United States Department of Agriculture of basing its estimates of acreage planted or to be planted in cotton on the announced 'intentions' of farmers growing the staple. The association advises the department to 'stick to facts.' The estimates of cotton acreage for any year are too important to the growers and the cotton trade generally, not only of America but of the industrial world everywhere, to be merely guessed at. When based on 'intentions' these estimates are merely guesses. Farmers are prone to change their minds. Some may think it a smart trick to state their intentions at less than the truth, others may alter their minds upon reflection and plant less than they had previously intended. Anyhow, it is most unbusiness-like to assume such a basis for an official report. The facts can be arrived at only after they become facts. No doubt the trade would rather wait for the estimates until they can be made with a reasonable degree of accuracy....." (Fla. Times-Union, Oct.18.)

2 In an editorial on the forthcoming cotton report, The Journal of Commerce for October 20 says: ".....It will be recalled that in 1919 attempt was made to give condition of the crop as of October 25. Congress on that occasion directed that such a report be issued.....On that occasion, however, the Bureau of Markets officially asserted that 'inasmuch as similar reports have not been made regularly in the past no comparison of the condition on October 25 this year can be made with condition on same date in former years'.....Between 1919 and 1923 the Department of Agriculture has apparently discovered some basis for forecasting production. The trade will wait with interest to learn what that basis is."

Section 4.

MARKET QUOTATIONS

Farm Products

For the week ended Oct. 20: Chicago stocker and feeder shipments from 12 important markets during the week ending Oct. 12 were: Cattle and calves 131,892; hogs 22,207; sheep 265,836. In eastern wholesale fresh meat markets beef and mutton were weak to \$1 lower; veal and pork \$1 lower to \$2 higher and lamb \$1 to \$4 lower.

Wheat prices declined steadily during the week except on the 16th and closed at net losses. Principal market factors were liquidation, lack of support, bearish Canadian crop report, slow export demand, and favorable crop news.

Closing prices in Chicago cash market: No.2 hard winter wheat \$1.09; No.2 mixed corn \$1.07; No.2 yellow corn \$1.09 1/4; No.3 white oats 42¢. Average farm price No.2 mixed corn in Central Iowa 94¢.

Hay market remained generally firm. Limited offerings selling at firm prices to local trade. Quoted October 20--No.1 timothy--New York \$29.50, Pittsburgh \$26.50, Cincinnati \$26, Chicago \$26, Minneapolis \$19.50, St. Louis \$26.50, Kansas City \$17.50, No.1 prairie--St. Louis \$19.50, Minneapolis \$16.50, Kansas City \$14.75. No.1 alfalfa Kansas City \$24.75. Feed markets very quiet.

Butter markets firm with the tone barely steady at close. Closing prices of 92 score butter: New York 48¢; Chicago 47¢; Philadelphia 48 1/2¢; Boston 48¢.

Cheese markets broke on Monday with price declines of 1 to 2¢. Under this condition trading very unsettled with lessened activity on part of both buyers and sellers. Closing prices at Wisconsin primary markets October 19: Single Daisies 24 1/2¢; Longhorns 24 1/4¢; Square Prints 25 3/4¢.

Spot cotton up 111 points during week, closing at 29.46¢ per lb. New York October future contracts up 36 points, closing at 29.75¢. (Prepared by Bu. of Agri. Econ.)

Industrials and Railroads	Average closing price	Oct.20,	Oct.19,	Oct.20, 1922
	20 Industrials	87.83	87.51	101.95
	20 R.R. stocks	78.95	78.67	93.45

(Wall St. Jour., Oct.22.)

Section 1.

Agricultural Conditions In a lengthy editorial entitled "The Farmer Comes Into His Own," The Washington Post to-day says: "If the farmers are to obtain special benefits from the Treasury at the hands of Congress this winter, it behooves them to do better teamwork and also to give some rational explanation of the mystery of their remarkable prosperity. While their special champions like Magnus Johnson and Colonel Brookhart are terrifying the country with their pictures of starvation on western farms, other reliable friends of the farmers are showing that they are in splendid financial condition. The Des Moines Register and Leader is a good friend of the farmer, and its resources enable it to gain exact information regarding his condition. It does not agree with Colonel Brookhart, who visited Russia and returned with statements which compared soviet conditions with those in Iowa, to the disadvantage of his Hawkeye neighbors. The Register paints a glowing picture of Iowa advancement and prosperity. It is not content with publishing this story of prosperity in its own columns, but is spreading the glad tidings abroad by means of page advertisements in eastern newspapers. The advertisements suggest that the Register is the best medium through which to reach the Iowa farmers, who are now ready to spend their harvest money. This is a much more satisfactory picture of western farm conditions than the lugubrious word paintings by Magnus Johnson, Colonel Brookhart, and other rustic artists. Moreover, the Register's fine showing of farm prosperity is fortified by the official statements of the Department of Agriculture and by the automobile census. The Department of Agriculture, in its most recent estimate, reports that the six principal crops of the farmers this year will bring more than \$7,000,000,000, as compared with \$4,500,000,000 in 1913, an increase of \$3,000,000,000 over the prewar record. The greatest increases in automobile registration are to be found in the States where farmers are most numerous. In North Dakota the increase is 11 per cent, South Dakota 8 per cent, Nebraska 12 per cent, Kansas 15 per cent, Minnesota 20 per cent, Iowa 12 per cent, Missouri 18 per cent, Wisconsin 16 per cent, Arkansas 30 per cent and Texas 28 per cent. It is little wonder that Eastern producers are notified that the western farmers are in the market for both necessities and luxuries."

Farm Products American exports of animal products and meats showd a marked increase in September, as compared with September a year ago, while the exports of products in the grain, fruit and vegetable divisions decreased. The Department of Commerce, October 22, gave the September total of meats exported at 95,356,921 pounds, valued at \$13,520,489, against 66,045,583 pounds, valued at \$10,819,159 a year ago. Dairy products exported were valued at \$2,074,549, against \$1,535,000 a year ago. Animal oil and fats exported were valued at \$12,677,000, while in September, 1922, they totaled \$9,499,856. Grain and products exported dropped from \$59,650,651 in September, 1922, to \$31,926,318 last month. Canned fruits exported during September, 1922, were worth \$3,900,000, but fell off last month to \$1,391,000. (Press, Oct. 23.)

Section 2.

Cotton and Boll
Weevil

The Wall Street Journal for October 20 says in an editorial: "At New Orleans on October 24 a convention will be opened under the auspices of the Louisiana Bankers' Association, which will be composed of bankers, manufacturers, railroad and other business men. This big convention of business men from all sections of the country between the two oceans meets to discuss an insect, smaller than a fly. Small in size but great in destructive power is the boll weevil. The Department of Agriculture has gone on record in an estimate that in 1921 the weevils destroyed lint cotton and seed amounting to \$610,000,000. One-third of our population is directly interested in cotton growing. Such a large loss in any one year means the ruin of many small farmers, the closing of the doors of country banks and driving merchants into bankruptcy. This, however, is only the beginning, for the American cotton crop is of national and international importance and the weevil's bite is felt around the world. The census of 1919 gives the figures for our entire textile business including cotton, silk, wool and other textiles. In all the branches of these textiles the invested capital was over \$6,000,000,000. The industry as a whole employed 1,611,000 persons, paying wages to them of \$1,482,000,000. The finished products when made up for consumer's use and sold at home and abroad represented \$9,216,000,000. Cotton is the largest item in this industry, representing probably more than half. It would be impossible to follow this great business in all its ramifications. We do know, however, that it calls for an enormous use of fuel, steel, lumber, cement, dyes and other materials, transportation and services. All these mean the further employment of labor and capital, which in turn means a greater purchasing power for the users of every kind of products. Thus farms, factories, mines, forests and transportation systems are all deeply interested in cotton. Our own interest is duplicated by the outside world, which buys and consumes more than half our raw cotton. Because of this foreign demand cotton, before the world war, was always depended upon to give us an export trade balance. It is now our main reliance also in the export business. Export trade in September increased \$70,000,000 over August, and 80 per cent of it was from cotton. The loss of the cotton trade would be a calamity to the United States, and in fact to the civilized world. There is no blinking the fact that the crop is seriously threatened by this insect. The New Orleans convention, therefore, deserves the backing of all business men and organizations of the country."

Egg Marketing

The Kansas City Daily Drovers Telegram for October 17 says: "Better marketing of eggs is the task that is being set for the farm women of the Middle West. Strange and contradictory as it may seem, the marketing of eggs is a wholly new task for farm women. It is no easy task nor one that can be accomplished in a day. Yet this is the task that agricultural organization and the extension service of the agricultural colleges is bringing to the farm women of the Middle West.....The packers have brought real

merchandizing methods into the marketing of eggs and the big profits these measures produce are paid by the producers and the consumers of eggs....No little neighborhood egg circle, no county cooperative organization will be considered big enough to do this marketing service. No; the ideals of the new marketing scheme contemplate state-wide organizations controlling a production so large that the federation of these state agencies into a national agency will control the production of eggs in the great egg producing sections of the country. Farm women are to unite their efforts to make smooth and direct the channels through which eggs shall pass from the farm poultry flock to the breakfast tables of the consumers of eggs....The task is a big one, but it a worthy one for the efforts of farm women. They will have much competition from the established marketing agencies to overcome and many difficulties to meet in the perfecting of the organizations they contemplate, but the task is not an impossible task. This has been demonstrated by the successful efforts of the great commercial egg producers of California and the Eastern States. May the farm women succeed in their efforts to put a stop to the chaos of unintelligent dumping of farm eggs on the markets and the winning of the power to say something about the prices of their products."

Farm Aid

The New York Journal of Commerce for October 19 says: "It is now reported from Washington that the administration, in search of further aids for the farmer, has decided to apply the funds at the disposal of the War Finance Corporation to the encouragement of crop diversification in this country....There is no use making a mountain out of a molehill or crossing a bridge until it is reached, but there is real danger that this theory that crop diversification will be a cure-all for our agricultural problems may do as much damage as another theory which has recently been very much overworked--namely, that 'cooperation' would solve all the marketing difficulties of the agriculturist. Both theories are good when properly applied, but as general solutions for the farm problem they are utterly inadequate. It is generally recognized by those who have studied the problem that many farmers could cut down their expenditures by increasing their output of food and feed for home consumption. To this point it is safe to advise 'crop diversification' to all. But there are only a limited number who could profitably shift their output of grain to vegetables, or of cotton to grain, on anything but the most insignificant scale. Where it can be done successfully there is little likelihood that credit will not be forthcoming through the ordinary channels."

Trade Relations

Florida Times-Union for October 18 says in an editorial: "Senator Borah thinks the recognition of Russia and a more liberal policy as to trade relations with that country would help the farmers of the United States. We do not see how. Russia is an agricultural country and does not need any of our farm products. Under normal conditions that country is a great exporter of agricultural products and an importer of manufactured goods....There

are many countries that produce wheat for export in large quantities.....The wheat of Canada and the United States is more accessible to Europe than that of Argentina, Australia or India. It is nearer and so the freight cost of exporting it from this country and Canada would not be as great as if it were imported from Argentina, Australia or India. During the big war Europe insisted on getting wheat from this country because it was so much nearer than other places of supply that vessels carrying it could make twice as many trips as those from more distant fields. But Russia will soon become the place of supply for Central Europe. This will cut considerably into our exports and it will cut the deeper because Russia will take pay in products while we demand cash. This will hurt our agricultural population and will hurt our manufacturers fully as badly."

Waterways

The Christian Science Monitor for October 17 says in an editorial: "The chairman of the Ontario Hydroelectric Commission, Sir Adam Beck, who is also a minister in the Ontario Provincial Government, has issued a statement concerning the diversion of water from the Great Lakes to the Mississippi River by way of the Illinois River....This diversion of water is of growing concern to Canada. It is maintained that Canadian power and navigation interests on the international waterway from the upper lakes to the Atlantic Ocean are seriously affected by it. The situation is of concern, too, to the people of the United States, including the citizens of Chicago. It is, apparently, not denied that more water is being diverted than the law allows. As a remedial measure, the sanitary district authorities have proposed to build compensating works at an estimated cost of \$2,500,000 on the St. Lawrence and Niagara rivers, to regulate the lake levels. But on a former occasion, when the sanitary district of Chicago asked for 10,000 cubic feet of water per second from Lake Michigan, the United States Secretary of War, in an official decision, stated that such diversion 'would substantially interfere with the navigable waters in the Great Lakes and their connecting rivers.' Protests against the present diversion through the Chicago drainage canal, which is said to be in excess of 8,000 cubic feet per second, according to Sir Adam Beck's statement, have been registered by the State of Michigan, the State of Wisconsin, the State of New York, the provinces of Ontario and Quebec, and the Federal Governments both of the Dominion of Canada and of the United States. In refusing the former request, the United States Secretary of War is quoted as saying 'that the provisions of the Canadian treaty for a settlement by joint commission of questions or matters of difference between the United States and Canada offer a further reason why no administrative officer should authorize a further diversion of water, manifestly so injurious to Canada, against Canadian protest.' The International Joint Commission, consisting of three Canadian and three United States commissioners, is fully competent to deal with this question of the diversion of water from its natural course in the Great Lakes system. But the commission can only act when instructed to do so by the Federal Governments. It is surely in the interests of all concerned to have the question so referred to the International Joint Commission."

Section 3.

Department of
Agriculture

The Weekly State (Neb.) Journal for October 17 says in an editorial: "The Secretary of Agriculture thinks the usual failure will occur if we try fixing the price of wheat. The Secretary is probably correct. Government price fixing has always produced consequences of an evil character. Yet governments do fix prices. Ours does to this day. It is 'fixing' the price of sugar, of clothing, of farm implements and building materials and a thousand other things. As one of the 'failures' of these price fixings by the Government we might list this demand of the wheat farmers for some price fixing of their own. The price fixing circle is a long way round. Secretary Wallace's influence in the Government should be very great. If he would use that great influence to put the Government out of the business of fixing prices for the things farmers have to buy, we have no doubt the farmers would be glad to withdraw their demand for price fixing for the things they have to sell. If Government price fixing is such a failure, then let's have done with it all round."

Section 4.

MARKET QUOTATIONS

Farm Products

Oct. 22: Potato markets steady, demand moderate. New York Round Whites decline 10 to 15¢ per 100 lbs. Eastern markets, closing at \$1.75 to \$1.90 sacked and bulk, \$1.45 to \$1.35 f.o.b. Demand for cabbage slow to moderate, markets dull. Onion markets about steady, demand slow to moderate. New York and Massachusetts yellow varieties 15 to 25¢ lower at \$2.75 to \$3.25 sacked per 100 pounds, mostly \$2.50 f.o.b.

Chicago Livestock Prices October 22: Hogs \$7.50, bulk of sales \$6.40 to \$7.30; medium and good beef steers \$7.75 to \$11.25; butcher cows and heifers \$3. to \$10.75; veal calves \$7.75 to \$11.75; fat lambs \$10.50 to \$12.85.

Hay market remained generally firm. Freer offerings by mills at lower prices resulted in reductions of \$1.50 per ton in price of bran.

Closing prices, 92 score butter: New York 48¢; Philadelphia 49¢; Boston 48¢.

Cheese markets weak despite declines which occurred early in the week.

Quoted October 22 - No. 2 hard winter wheat; Chicago \$1.07 to \$1.11, Kansas City \$1.09 to \$1.22, No. 2 red winter, St. Louis \$1.16 to \$1.18, No. 2 yellow corn Chicago \$1.07 to \$1.08 1/2, and St. Louis \$1.06.

Spot cotton up 6 points, closing at 29.52¢ per lb. New York October future contracts advanced 5 points, closing at 29.80¢. (Prepared by Bu. of Agri. Econ.)

Miss Trevelyan
For Secretary's Office

LIBRARY
RECEIVED
DAILY DIGEST
OCT 24 1923

October 24, 1923

Section 1.

Nation Called to Fight Boll Weevil A New Orleans dispatch to the New York Times to-day says: "The first concerted effort to have the Federal Government recognize the boll weevil menace as a national problem, requiring the study and spending of Federal money to combat it, will be started at New Orleans to-day with the opening of a three days' conference of bankers, business men and cotton growers from all sections of the country. More than a thousand are expected to attend, including several men high in the affairs of the Nation. This conference has been called at the suggestion of the Louisiana Bankers' Association, members of which have expended a large sum in arousing interest and in gathering statistics of the extent of the pest's menace. The inroad the boll weevil has made in the cotton crop has struck deep into the pocketbooks of the entire United States, cutting off hundreds of millions of dollars formerly paid by foreign countries for American cotton, it is asserted. ...Harry D. Wilson, State Commissioner of Agriculture for Louisiana, will preside over to-day's session, while commissioners of agriculture from other States, entomologists and experts on fighting the boll weevil will speak. There is no set program for the day. Under the heading of 'experts,' will come men who have been engaged in boll weevil extermination by the Federal Department of Agriculture, and men who are criticizing these methods. The use of calcium arsenate in the spraying of cotton fields to poison the weevil will come in for sharp attack and stout defense. Picking up the punctured bolls which have fallen from the stalk to the ground after the onslaught of the weevil also will be criticized and defended."

Ambassador Harvey George Harvey, American Ambassador at London, in his Offers Hughes Plan farewell address there last night renewed the Hughes offer of European Aid of American participation in a determination by experts of Germany's capacity to pay reparations and said that under President Coolidge, as under President Harding, the United States was willing to help in any practical plan for the economic recovery of the world. Europe, he said, had closed the door on the Hughes plan, but his country was still ready to join in applying it. (Press, Oct. 24.)

Egypt Lifts Cotton Ban A Cairo dispatch to the press to-day says: "For several years cotton cultivation in Egypt has been regulated by a law providing that cultivators shall not grow the crop on more than one-third of the land they have available each year. The policy was to confine the cultivation of Egyptian cotton to one-third of the possible yield, and also to insure that a certain proportion of the cotton land shall lie fallow annually in order to induce a better quality of the Egyptian staple eventually. During the last two years, however, growers have ignored the law more and more, and now the Government has decided that the law shall not be renewed when it expires at the end of the present cotton season in this country."

Section 2.

Agriculture

Weekly Kansas City Star for October 17 says: ".....For three days the farmer's plight and the ways out of his difficulties were discussed at the International Farm Congress. On the program were the United States Secretary of Agriculture, members of Congress, a governor, a former governor and presidents of agricultural colleges, the heads of farm organizations and just plain farmers. For hours at a time free discussion from the floor was had. It is fair, then, to assume that the opinions of the delegates to this convention fairly represent the intelligent agricultural thought of the country. If one may judge by the temper of these delegates, the farmer is still conservative, although distinctly progressive. He is thinking as he has not thought before, and his thoughts are constructive thoughts. For the first time he has reached the bedrock conclusion that no one else, not even the Government, is going to help him out of his difficulties and that his future rests squarely with himself....The farmer now sees clearly, too, that while cooperative marketing is helpful in reducing selling costs, in evening the flow of produce to market and in stabilizing prices, it can not raise prices above world levels and falls far short as a sole relief measure."

Business Outlook

The Wall Street Journal for October 23 says: "Two opposite opinions regarding the business outlook seem to be prevalent. However, if only a few of the basic facts be examined it will be found that the outlook is good as far ahead as one can judge. An unduly rapid pace is not to be desired. A steady healthy condition like the present means more in the long run. Most pessimistic arguments seem based on a comparison with the earlier months of the year. The fact is overlooked, however, that this is like comparing a high level with a peak and then complaining that the former is low. The Federal Reserve index of production of the basic industries shows that between January and May the volume was higher than ever before attained.....Production now is about one-fifth greater than a year ago. There is no pessimism in such a figure. Another important fact is that goods are going into distribution. The proof of this is in the large volume of railroad freight loadings. The loadings in the first week in October showed a small drop, but the volume still is great. The Fisher Weekly Index shows that prices are about 7 per cent below the peak of the April average. They are also that much higher than a year ago. Week by week also for some months back the price list has been stable. Employment is only a little below that of the peak of this year, when production was at its highest, and it is considerably larger than last year, while wages for the year seem to be stable and at their highest.....It is not desirable for production to run at fever rate as it appeared to be last spring. The present condition, while somewhat slower, is still more satisfactory in every way."

Colorado Conditions James Ringold, president of the National Bank of Denver, says, in The Financial World for October 20: "At this writing, the economic outlook for Colorado and adjoining States is reasonably bright. The Colorado farmers will receive about \$115,000,000 for this year's crop. This is an increase of 15 per cent over last year. The outstanding feature of our agricultural situation is the reduction in farm production, with an increase in income, due to higher prices. Corn, sugar beets and sorghums are an exception to this . . . that they show both increased production and increased prices. Our corn crop is nearly 50 per cent larger than ever before in the history of the State, and we will receive over \$12,000,000 for our sugar beets. Wheat, which has a low price, is not as important a factor here as in other States. A very favorable element in our agricultural situation has been the larger number of cars available. Last year our fruit growers suffered severely from a shortage of cars at crop moving time. This year, with a smaller crop, transportation has been adequate. Colorado has not yet sufficient population to be a controlling factor in the consumption of her own agricultural products. Colorado farmers must either ship east, with high transportation costs, or else devote themselves to the raising of feed crops and the shipment of livestock and its products. At the moment, our agriculture seems to be rapidly shaping itself along this latter line. I doubt if eastern bankers realize the rapidity with which economic changes take place in a young and rapidly growing section such as the Mountain West. Five years ago, the Government reports on a large number of truck crops made no mention of Colorado, our production being so small as not to merit consideration. To-day Government reports show Colorado to be the largest shipper of cantaloupes in the United States, the third largest shipper of mixed vegetables, the third largest shipper of cabbage, and the third largest shipper of lettuce. The West, naturally inclined to optimism, is looking forward to a good fall and winter. Most of our economic ills center about the unfavorable European situation, the weakened investment market and similar difficulties. At home we have a good crop, labor is well employed and efficient, and with continued hard effort we should be able to earn for ourselves a reasonable measure of prosperity."

**Cotton Trade of
England**

Herbert N. Casson writing from London to the Philadelphia Ledger for October 22 says: "The English cotton trade is going through the most serious crisis it has faced since the black days of the American Civil War. The crisis became so acute that the Lord Mayor of Manchester called a conference to consider what could be done to meet the emergency. Such a thing has not been done before in the memory of living people. Cotton shares are selling at a half and a third of their value. Two-thirds of the mills are on short time. The export trade has been cut in half and winter is at hand....The cotton trade is indispensable to Britain, because the British people can not feed themselves. They buy \$2,000,000,000 worth of food annually from foreign countries and the cotton trade pays the bill. No cotton--no food. That

is the danger that is confronting Britain.....One fact is clear--England has lost her monopoly of the cheaper grades of cotton cloth. These can now be made in other countries at a lower cost. It is generally believed that England must shift to the higher-grade goods, adopt trade-marks, advertise and maintain prices at a fair level above cost. This will mean that she will buy less and less American cotton and grow her own cotton in Egypt, Central Africa and Australia. This matter has already been discussed at the Imperial Conference."

Egg Marketing in Minnesota

Rice County, Minn., farmers who are members of the newly organized cooperative egg marketing association have received returns on the first car shipped by the association. Net returns to the farmer, according to A. A. McPheeters, county agent of Faribault, averaged 15 per cent over prices prevailing on the local market at the time of shipment. The cooperative shipment netted 29 cents a dozen for first grade and 20 cents a dozen for those under grade. Much of the increase from local price of 25 cents a dozen was due to the close manner in which the shipment was graded. Several other county associations are about ready to begin operations, while still others are now in the organization stage. (A.F.B.F. News Letter, Oct. 18)

Flour Exports to Orient

A Seattle dispatch to the press of October 22 states that exports of flour to the Orient, including the Philippines, for the first three months of the cereal year--July 1 to September 30--amounted to 518,000 barrels, or about 10 per cent higher than in 1922. The trade has been exceptionally heavy with China outside of the free port of Hongkong. This trade accounted for 263,935 barrels. Japan's buying has been limited and the flour shipped to the Philippines has been less than a year ago. Puget Sound mills are operating on a basis of 93 per cent of normal, with inland mills at 100 per cent.

International Farm Congress

Price Current-Grain Reporter for October 17 says: "The office and editorial management of the International Farm Congress at Kansas City have been doing their best in the past to hang on to their heads in the midst of the hurly-burly of debate on farm relief; but they can hardly be expected to control a debating society called a convention. Such bodies all seem disposed, as Pope said, 'to run amuck and tilt at all I see.' As usual there was much talk with probably few to listen and none to tilt at the debaters--much talk but nothing done and as little recommended that had a practical side. President W.K. James proposed a variant of the Wallace surplus plan. It would provide that, 'The Secretary of Agriculture would estimate the percentage of the wheat crop to be held for home consumption, and the amount to be taken over for export. When the farmer delivers his wheat to the warehouse, he will receive cash for the home consumed product and a negotiable receipt for the exportable surplus. This method of marketing would automatically restrict wheat production to the amount required for home consumption and encourage diversified farming,' How easy to do -- on paper; but who could do it with wheat?"

Section 3.

Department of
Agriculture

Price Current-Grain Reporter for October 17 says in an editorial: "As a moral and economic proposition, nothing in our opinion could be more objectionable than Secretary Wallace's latest program to solve the troubles of the northwestern wheat farmers. (For it does not appear that the soft wheat growers of Ohio, Indiana, Illinois and Missouri, where the excessive acreage and production of wheat are to be found, are posing as insolvent debtors demanding or supplicating for relief)....The press dispatches of October 10 said the Secretary of Agriculture would present to the President a plan for the relief of the northwest wheat grower which would stabilize prices and take care of the surplus stock of wheat on the American market. The plan has not been made public in detail, but in a general way it would provide for a Government wheat export corporation which with the approval of the Congress would operate with Treasury funds.....The further notion that this surplus could be marketed abroad by the Government at a better price than the exporters could obtain for it is one the common mind can not quite understand. How could the proposed corporation give the wheat grower a better than the market price without fixing prices, which the plan does not contemplate? The Department's experts assume that there is too much wheat in this country and in the world; yet day by day it begins to be apparent that the amount of good native milling wheat is less rather than more than is needed by our millers; and some northwestern people now accuse the elevators who bought wheat when offered and as offered did the farmer injustice by buying then and putting the better wheat into store, anticipating, what the farmers and their advisers did not think of at the time, that generally speaking the quality of our own hard spring wheat being low Nos.1 and 2 would likely go to a substantial premium. Only the experienced can think of such contingencies. If it is the intention of this plan to pay a premium for all the wheat left and to dump it on the Continent of Europe at any price obtainable there, and that seems the only excuse for the plan, why not be frank about it and say so at once and fix the price as President James recommended to the International Farm Congress last week. Then the wheat grower would know what he would have to pay in taxes in 1924, the American miller would know 'where he is at' and the American bread eater could prepare himself to stand for the higher price of bread. For the domestic and the foreign price for wheat can not be different unless a difference is forced."

2

The Baltimore Sun to-day says in an editorial: "Bird-banding should appeal to the imagination, and perhaps its increase in popularity, reported by the Department of Agriculture, proves that it does. The chap who fastens a numbered band on a migratory bird is taking part in an investigation of one of Nature's most baffling mysteries. It is not that the migratory habits of birds are uniquely marvelous; the life history of the malaria germ or the strange instinct of the carrier pigeon--to take only two instances--still defies the seeker after cause. But the laws of bird migrations demand a study as far-reaching as the American

Continent. Observers must be scattered along from one extreme to the other of the flights in order to record the paths, schedule the speeds, note the junction points, and finally report what proportion of the flocks return as adults to the vicinity of their original nests. It must be left to the scientists to tell what practical purpose, if any, is served by all this study, but there is no doubt about its romance. 'The way of an eagle in the air' seemed wonderful to Solomon, and the migratory birds perform wonders which the eagle never has thought of."

Section 4.
MARKET QUOTATIONS

Farm Products

Oct.23: Wheat market slightly higher because better mill demand and higher foreign markets. Cash wheat 1 - 2 cents higher in principal markets. Corn market weakened by larger movement and heavier country offerings. New corn prices declined 5 cents at Chicago. Buyers in Kansas City and other markets awaiting larger movement of new corn. Oats practically unchanged. No.2 red winter - Chicago \$1.08 to \$1.12. No.2 red winter - St. Louis \$1.15 to \$1.17. No.2 yellow corn - St. Louis \$1.03 to \$1.04.

New York Round White potatoes sacked and bulk \$1.80 to \$1.95 per 100 lbs. eastern markets, \$1.45 to \$1.55 f.o.b. Northern Round Whites \$1.45 to \$1.60 eastern cities, 90¢ to \$1.10 in Chicago, 85 to 90¢ f.o.b. Eastern shore of Virginia sweet potatoes, yellow varieties, \$2.25 to \$2.50 per barrel city markets, top of \$3.75 in Chicago. New York cabbage domestic round type \$18 to \$23 per ton. New York onions, yellow varieties, \$2.75 to \$3.25 sacked per 100 lbs. eastern cities. Eastern apples, Baldwins, \$4 per barrel in New York. Jonathans \$3 to \$3.50 in New York and Baltimore.

Chicago prices: Hogs, top, \$7.60; bulk of sales \$6.80 to \$7.40; medium and good beef steers \$7.75 to \$10.15; butcher cows and heifers \$3.15 to \$10.75; feeder steers \$4.25 to \$7.75; veal calves \$7.75 to \$11; fat lambs \$10.75 to \$13.

Spot cotton up 98 points, during the week, closing at 29.91¢ per lb. New York October future contracts up 60 points, closing at 30.35¢. (Prepared by Bu. of Agri. Econ.)

Section 1

Boll Weevil
Conference

A New Orleans dispatch to the press to-day says: "With delegates in attendance from every cotton-growing State, the boll weevil national menace conference, called by the Louisiana Bankers' Association, to discuss ways and means of combating the pest and to organize a campaign for congressional action, opened at New Orleans, October 24. An informal session was held during which it was evident that many different opinions are held as to the best method of ridding the cotton area of the bug, which takes \$1,600,000 a day from the pockets of cotton planters, according to some estimates.....Harvie Jordan, of Atlanta, representing the American Cotton Association, and managing director of the Boll Weevil Control Association, was the first speaker. 'The Federal Government for many years has carried on experimental work that has given us a basis for a concerted successful battle by the cotton growers of the South against the weevil,' he said. He stated that a plan to utilize this work had been laid before the directors of the New York Cotton Association and had received their unanimous indorsement and a contribution of \$80,000. The plan was favored by E. H. Cary, and the United States Steel Corporation contributed \$75,000. New England cotton manufacturers, he said, were assessed so much per loom and spindle. 'As a result we have been able to establish 933 experimental stations in the eleven States affected,' he added. 'These are not in conflict with the Government's experimental farms, but are simply to show the farmers a practical means of combating the weevil.'"

The New York Times to-day says in an editorial on the subject: "The convention at New Orleans shows that the South is at last thoroughly aroused to the serious menace to national prosperity involved in the failure to curb the insect pest known as the Mexican Boll Weevil. The experience of the present season has proved that unless something is done to control the boll weevil America bids fair to lose her supremacy in cotton production.....Recognizing the fact that a pest which has spread over the entire cotton-producing area of the country can not be successfully dealt with locally, or even by groups of States, it is plainly the purpose of the New Orleans convention to demand that the Federal Government assume the direction and responsibility of a campaign against the weevil and take charge of directing and co-ordinating the efforts of the growers."

Governor Crissinger D. R. Crissinger, Governor of the Federal Reserve Board, Finds Credits who visited the Federal Reserve Bank of the New York district yesterday, said that business conditions are good, that many important Good lines have been contracted up to March, and that the Nation's credit structure is in excellent shape....Asked whether there existed a "farm situation" as indicated in recent predictions of heavy losses to be sustained by wheat growers, Mr. Crissinger said he thought the agricultural outlook was good. "There is ample credit for farm needs," he said, "and farmers more and more are utilizing the credit resources placed at their disposal." (N.Y. Times, Oct. 25.)

Section 2

Acreage Control

Farm Stock and Home for October 15 says: Secretary Wallace very properly takes the stand that all attempts on the part of the Government to bring relief to the wheat farmers will fail unless some means can be found to control production. The more successful the plan may be in raising prices, the greater the temptation to increase production. It is a well known economic law that rising prices stimulate production. The Secretary is absolutely right in his position.....Let the Government form a grain corporation to take, early in the season, whatever wheat we may have over domestic requirements, off the market and handle it as an export pool, thereby putting us on a domestic basis and allowing the tariff to do its work...Now in order to see that the acreage is kept down, let the act be drawn to read that the corporation would function only in the event of there not being an acreage put in that normally would give us more than our domestic requirement of 600,000,000 bushels. This would mean, allowing acreage abandonment of winter wheat acreage of 2,500,000 acres, based on fifty-six years, an acreage of 48,300,000, giving an average yield, figured on fifty-six years, of around 600,000,000bu....If a larger acreage was put in, the crop would be sold in the usual manner. The law would have to allow for determination of acreage dependent on yield and carry-over the previous year. Would not the natural result of such a law be to make every farmer see to it that his neighbor played square? The amount of acreage each state could put in and what each farmer could seed would have to be determined by township units working with county units, which in turn would report to a state organization, which would work with one made up of all the wheat states."

Agricultural Aid

Northwestern Miller for October 17 says: "The clamor for political action designed to 'do something' for the farmer is losing a good deal of its point in the light of recent market developments. The farmer, more or less unintentionally, has managed to do for himself considerably more than all the politicians combined, and the public, working in accordance with the seldom understood but always potent principles of economics, is rapidly doing the rest. Even the downtrodden wheat farmer, the chief cause of all the loud-voiced woe, is showing signs of recovery. On October 1 the average farm price of wheat, as reported by the Department of Agriculture, was 93.2 cents a bushel; a year ago it was 90.4 cents....Unless the Department of Agriculture is unbelievably ignorant of existing conditions, these figures represent conditions as they actually are, uncolored by political prejudices. The farmer may not as yet be well off, because his position last year was exceptionally bad, but certainly he seems to have found the road to prosperity if increased production coupled with higher prices can get him there. Nine tenths of the talk about congressional action to help the farmers is political rubbish, and presumably the men responsible for it are astute enough to understand it for exactly what it is and no more. The changes are that politically it will do little direct injury to the Nation, beyond increasing the difficulty of making the various

groups in Congress work together, and giving the farmers an increasing sense of grievance when they see the efforts of their leaders coming to naught. The worst feature of the clamor for relief to the farmers is economic. So much has been made of it that the public as a whole unquestionably believes that the farmer is very much worse off than he really is, and the result is an unwarranted lack of confidence in the stability of present business conditions, and an absence of optimism for the future. It is time for the real facts to be fairly considered. Agriculture is the basis of American prosperity, and because the country as a whole is well able to pay fair prices for the farm products it needs, production is automatically adjusting itself so as to give the farmer a sufficient return for his labor."

Armour To Sell

A plan has been evolved by Armour & Co. making it possible for the 60,000 employees of the company to become partners through the purchase of preferred stock, according to a statement yesterday by F. Edson White, president. (Press, Oct. 24.)

Cooperation

Commercial West for October 20 says: "Unusual interest has been taken lately in the economic health of the farmers of the United States. It is unnecessary to comment upon the fact that many agriculturists have had a hard row to hoe during the past few years. Perhaps the paths of those employed in other industries have been quite as thickly bestrewn with thorns as has been the pathway of the agriculturist, although we have not heard so much about it.... During the past few weeks official representatives of the Government have been touring the country to investigate agricultural conditions, and to assist the cooperative advocates to organize for orderly marketing of their wheat and other products... Those preaching cooperation must realize that no efficient service can be given unless there be equitable compensation. The present marketing machinery is the result of centuries of business experience. It is doubtful whether any cooperative system can be devised that will prove more economical to the agriculturist."

Crop Data Use Urged

An Indianapolis dispatch to the press October 23 says: "C. J. West, agricultural statistician for Ohio, speaking October 22 at the opening session of a three-day conference of crop estimators, declared use by farmers of the information provided by the Government would prevent overabundance of certain crops in some years and scant production in other years."

Foreign Trade Information

Strengthening of the system for distributing foreign trade information promises to be the major part of expansion planned by the Department of Commerce during 1924-1925, according to the press of October 24.

Warehouse Act

In an editorial on the warehouse law, Who is Who in the Grain Trade for October 20 says: "As will be seen, the amended act does not provided for farm storage nor does it give the individual producer anything he did not have before. What it does do is to enable him, through a cooperative company, to store his

grain along with the grain of other farmers, in some central elevator or warehouse approved by the Government and to secure money advances on it. In short it permits him to speculate on his grain. That this will prove a boon to the farmer remains to be seen. After he has gone through all the red tape required by the Government and has finally secured his loan how much better off is he? If he sits still in the boat and awaits a higher price he must also stand the loss due to depreciation, rats and mice, loss in weight and loss of interest. It has been shown repeatedly that the farmer who sells his grain after harvest is just a little better off than the producer who holds it for an increase in price later on. The amended warehouse act, it is certain, will not be taken advantage of by the thrifty and up-standing farmer who wants to run his business in a business way unhampered by Government bureaucracy.The warehouse act may be taken advantage of by some farmers who are hard up and must have money at once. They will find out, however, that in the long run they will be better off to sell to the local elevator and get their money rather than to bother with Uncle Sam and his red tape. But they must learn this for themselves"

Wheat Rates

Christian Science Monitor for October 19 says: "There is an old saying that it is a poor rule that doesn't work both ways. By some undisclosed method of reasoning it may be shown just how the proposals of President Coolidge, said to have been made to Samuel Rea, president of the Pennsylvania Railroad, would work out in actual practice for the benefit of all, but without such elucidation the layman will probably remain unconvinced.....It will be agreed, no doubt, that if it is true that coal is carried from the Pennsylvania mines to tidewater, when the cargo is intended for export, at a lower price than it is carried to the same point or for an equal distance when intended for domestic use, a hardship is being inflicted upon the American consumer. If it is being transported to the Canadian border at a lower charge than that made on coal carried an equal distance for use in the United States, an injustice is being done. Aside from the inconsiderable number of mine operators and operatives and the comparatively few who are financially interested in the earnings of the coal-carrying railroads, the great majority of the American people are buyers and consumers of coal. No one, apparently, has any difficulty in appreciating the absurdity of the alleged variation in coal rates. But a somewhat different reaction may result from the more or less naive proposal that the producers of wheat are by right entitled to a lower freight rate on their product intended for export than that charged for transporting the same grain to the same terminals for domestic consumption. For instance, the Boston or New York buyer of flour or bread could not easily be convinced that it is worth more to the railroads to bring a bushel of wheat to his city for the use of himself and family than it would be worth to transport it for re-shipment on to an ocean liner bound for Liverpool. The temptation seems to be, in searching out possible solutions for economic problems, to forget the consumer. It is true that it is proposed, if possible, to give him the benefit of a freight rate on coal as low as the lowest. But is he not as much entitled to the lowest possible rate on the commodities which the farmer supplies?"

Section 3.

Department of
Agriculture

Western Highways Builder for October says: "The Lincoln Highway Association is not at all disposed to accept the ruling of the Secretary of Agriculture approving the selection of the Wendover cut-off as opposed to the Goodyear cut-off from Salt Lake City to the Utah-Nevada State line for inclusion in the primary road system of Utah.....This controversy which has raged over these two routes across the Great Basin is puerile in the extreme and it disregards a mighty important fundamental principle of the law that governs the construction of Federal highway system projects. The law that controls the expenditure of Federal funds in cooperation with the States in the construction of the Nation's primary road system specifically states that the power of selecting roads to be improved with Federal funds shall rest with the States. Utah and Nevada alone are concerned with the routing of east-and-west primary roads that connect these two commonwealths, and it is for these two States to select the projects they desire to build. The sentiment, so often expressed by the Lincoln Highway Association, that not only Utah and Nevada, but the entire Nation was interested in the routing of the Lincoln Highway across the desert is all bunk. The Nation is only interested in the construction of a safe, passable highway from Salt Lake City west, giving access to two termini -- San Francisco and Los Angeles. And the preponderance of engineering opinion indicates that the Wendover cut-off is on a par if not superior to the Goodyear cut-off....It is useless for the Lincoln Highway Association to attempt to alter the decision of the Secretary of Agriculture now. Such a course of action would be regarded by the entire West as an attempted usurpation of State's prerogatives and an assumption of extra-territorial powers. The Secretary could render no other decision than he did and observe the spirit as well as the letter of the law."

Section 4.

MARKET QUOTATIONS.

Farm Products

Oct. 24: Prices of Chicago livestock: hog prices \$7.70 top, bulk of sales \$6.90 to \$7.50 for the bulk. Beef steers \$7.75 to \$11.35; butcher cows and heifers \$3.25 to \$10.75; feeder steers \$4.25 to \$7.75; veal calves \$7.50 to \$11.

Closing prices, 92 score butter: New York 48¢; Philadelphia 49¢; Boston 48¢.

Closing cash grain prices: No. 2 hard winter wheat Chicago \$1.08 to \$1.09 1/2; No. 2 red winter St. Louis \$1.17 to \$1.18; No. 2 yellow corn Chicago \$1 to \$1.01; No. 3 white oats 42 to 42 1/2¢.

Spot cotton prices up 98 points during the week, closing at 29.84¢ per lb.; New York October future contracts up 95 points at 30.50¢.

Hay market generally firm. Demand for better grades continues good in most markets while lower grades move slowly. Heavier receipts of corn and increased production of feedstuffs causing easier tendency in markets. (Prepared by Bu. of Agri. Econ.)

Section 1.

American Wheat for Germany The press to-day states that a plan to sell Germany 50,000,000 bushels of wheat as a means of assisting American wheat growers and of helping to feed the German population was placed before President Coolidge and Secretary Wallace yesterday by a group of men interested in the grain trade. The President is reported to have shown a sympathetic interest in the plan, and the Secretary is quoted as saying he was in favor of anything which would relieve the present distress of the wheat growers. The grain men advocated the purchase by the War Finance Corporation of drafts of wheat shipments up to 50,000,000 bushels without recourse to the shipper. Those in the group were George E. Marcy, President of the Armour Grain Company of Chicago; George A. Roberts of Omaha, C. E. Lewis of Minneapolis and W. E. Gould of Kewanee, Ill. "It is of vital concern to our farmers and the country in general," Mr. Marcy said, "that we export forty to fifty million bushels of wheat before the Argentine crop comes on the world market in January and February. We believe our proposal does not require Congressional action, for the War Finance Corporation has ample authority to buy securities without recourse.Wheat sent by us to Germany would sink out of sight very rapidly, for it would be utilized to supply the bread lines. We should give Germany two years in which to pay; then, if she can not make good in that time, extend the time. The German papers are already advocating this plan."

Boll Weevil Menace Convention A New Orleans dispatch to the press to-day says: "Delegates who sought to restrict to measures for destroying the boll weevil pest the deliberations of the National Boll Weevil Menace Conference were defeated October 25 by the eloquence of United States Senator Ransdell of Louisiana. His action prevented control of the permanent organization which business men from all over the Nation came here to form from passing into the hands of a committee of four appointed by Chairman Rives of the conference and a similar number from the Southern Agricultural Workers' Association which is composed of agricultural college professors and attaches of the Government Farm Research stations. Control was given to these eight men by a joker in the report of the Committee on Investigation which nearly slipped by the conference.....Senator Ransdell succeeded in having adopted a motion for the appointment of a resolution committee. Chairman Rives appointed the following committee to report tomorrow: H.M.Royce, Vice President of the New York Cotton Exchange; Dr. J.W.Lea of Jackson, La.; R. D. Bowen of Texas; Dr. W. D. Hunter, Federal Department of Agriculture; W. R.Scott of the Southern Pacific Railway of Texas; H.S.Mobley of the Illinois Manufacturers' Association; J.W.Arrington of Greenville, S.C.; O.E.Bradfute of the American Farm Bureau; L.K.Nicholson, editor of The New Orleans Times-Picayune; Dr.Tate Butler of Memphis; J.W.Fox of Scott, Miss., and Mr. Duncan of Oklahoma."

Section 2.

Agricultural
Products

Commercial West for October 20 says: "According to James R. Howard, president of the National Transportation Institute, and perhaps better known as the founder of the American Farm Bureau Federation, there are 'too many farmers in the United States.' Mr. Howard suggests that in order to square up the economic situation a large section of the farm population be moved into industrial fields, and he backs up his argument with the theoretical statement that with the increase of manufactured products there would be a greater demand for farm products. Mr. Howard points out that the farm population is one-third of the national population and receives less than one-ninth of the national income. According to the last census 30 per cent of the national investment is farm investment and the value of farm crops is about 38 per cent of the value of manufactures. Despite these facts the return to the farm is only 13.74 per cent of the national income. Mr. Howard seems to ignore the fact that the manufacturing capacity of the United States at the present time is from 40 per cent to 50 per cent greater than the needs of domestic consumption. The taking of farmers into the industrial districts to increase the output of manufacturers will not increase the volume of domestic consumption. Farming would not be overdone could an outlet for surplus products be had as during the war period. It is fully as essential that markets be had for manufactured products as for agricultural products. The European countries are again producing more than is needed for home requirements. European manufactures to-day are in competition with American manufactures. What is most needed is a larger market for both American agricultural products and American manufactures. Where can such a market be found? There is a vast field in what is known as the Far East which, from the United States, can be best reached by going westward. In the Far East the United States has large interests -- the Philippines. While the Far East has been one of Europe's largest customers the United States to-day is in far better position geographically, transportationally and otherwise, to supply the needs of the hundreds of millions of people of the Far East than is any European country."

Boll Weevil

An Associated Press dispatch from Greenville, N.C., to the press of October 24 says: "No menace to any agricultural products in the history of the world can be compared with the menace now confronting the cotton-producing industry, due to the boll weevil, Angus W. McLean, banker, of Lumberton, N.C., former director of the War Finance Corporation, declared in an address before several hundred eastern North Carolina farmers and business men attending a convention here intended to develop a program for combating the ravages of the boll pest.....Efforts of the Federal Government to develop a successful means of controlling or exterminating the pest were declared to be 'insignificant,' with only about \$200,000 per year being spent on laboratory and field research work. 'The solution of the problem is essentially one of invention,' Mr. McLean said, advocating the establishment of a biological, chemical, mechanical laboratory by the Federal Government in each cotton-growing State for work exclusive on this program. He urged

agricultural, industrial and commercial interests to cooperate with the Federal Government's efforts to solve the problem because of the economic considerations involved."

Cotton Control

The Journal of Commerce for October 25 says: "The conference now being held in New Orleans for the discussion of what is to be done about the cotton boll weevil will doubtless produce suggestions deserving national consideration. There are some pertinent facts, however, of considerable importance which may not be brought to public attention. In the first place, it should be admitted at the outset that the weevil has not been an unmitigated evil to the South during the postwar years, and in the second, it should be realized that it will probably be impossible to find a quick means for exterminating the insect. Neither of these factors makes the issue less critical than it is claimed to be by large interests in the South. No one seriously interested in the future of business in this country questions the desirability of increasing the size of the cotton crop. But at the same time it is just as well to recognize that at least in part the boll weevil has prevented the farmers of the South from suffering the depression of the last few years that has been so acutely felt by the wheat farmers of the Middle West and Northwest. European demand for cotton, like European demand for wheat, has not been up to prewar proportions in recent years. Several things account for this, but probably the most important is the reduced purchasing power of Europeans and Asiatics who before the war were our largest customers. The depressed condition of the British cotton industry during the past few years is well known. On the Continent conditions have been perhaps less acute, but there, too, takings have not been up to normal. Had the United States produced cotton crops of maximum size during these years there can be little question that prices of cotton would have been as depressed as prices of wheat have been. It is not necessary to carry the comparison far. Costs of production have advanced in the South just as they have in the West. If the southern farmer had produced large crops at high cost only to find that he had no market for them, losses there would have been as great as in the West.... There can be no question that the chemical preparations that have been thus far developed for fighting the weevil are not satisfactory, and that much work still needs to be done to improve them. But, at the same time, if there had been very serious demand for them it seems likely greater advance would have been made. As a general business problem it is of the first importance that cotton should be cheaper and more plentiful. This would stimulate buying in the long run and in time would react to the benefit of cotton producers. For this reason all efforts whether on the part of national or State governments or private organizations, in the direction of improving means of exterminating the weevil and educating the southern farmer to make use of them are to be encouraged. But, at the same time, it should be recognized in the South that it is mainly the weevil which has insured high prices for cotton in spite of the weakness of the European market."

Cotton Market

Theo. H. Price says in Commerce and Finance for October 24: "The Department of Agriculture has announced that it will issue another condition report and crop estimate on November 2, based upon returns as of October 25. A department report on November 2 is almost without precedent, and the trade is disappointed that the respite it expected to enjoy until December is to be disturbed by the novelty of a November report. When on Thursday afternoon it was first rumored that such a report would be issued the market stiffened up slightly in the fear that the forthcoming crop estimate would be smaller than the last one. There was, however, but little speculative buying of importance, and the advance established was chiefly due to the covering of the small short interest outstanding.Should the showing made indicate a crop of much less than 11 million bales it may be possible to stabilize prices at the 36 cent minimum named by the American Cotton Association as a reasonable price for this year's crop. There is, however, reason to doubt whether the world at large will agree as to the reasonableness of 36 cents. In this doubt the cotton producers seem to share, for the letters and telegrams received from the South indicate that most of the cotton now passing through the gins can be bought at 30 cents a pound or slightly less."

Egg Marketing

"The Great American Hen, although without well organized press agents, has modestly allowed the news to leak out that her contribution to the Nation's wealth last year exceeded a billion dollars.....It is unfortunate that a business of such vast dimensions and output as the production of eggs should for the most part be kept without books, system or knowledge of costs. Not one egg producer in a hundred knows what his eggs cost. The management is usually part of the general work, frequently the unpaid labor of the farmer's wife or his boys. That is the kind of competition the professional poultry man is up against. One is led to infer that prediction of the course of egg prices must be pure speculation, with no basis of verifiable statistics. Hardly a season passes but that we read of a colossal miscalculation on the part of the storage men." (Commerce and Finance, Oct. 24.)

Federal Highway

Supervision Urged Congressional legislation providing for Federal supervision of interstate highway traffic and pointing toward the establishment of uniform speed, traffic and reciprocity regulations in every State will be sought by the American Automobile Association this year, Maj. Roy F. Britton, of Missouri, chairman of the legislative committee, declared in an address to the executive board meeting October 24 at Washington. (Press, Oct. 25.)

Government Aid

Western Farmer for October 15 says: "President Coolidge is going about the matter of how best the Government can render constructive assistance to agriculture. He is seeking first-hand information from farming sections throughout the country so that an intelligent plan may be worked out whereby Congress can assist agriculture.....The plan proposed by the President to have a survey made throughout all agricultural districts of the country is to be commended. The survey that is being launched by our Chief Executive

should bring forth much reliable information out of which constructive good will come.....We believe that the information that will be afforded and suggestions made will have a wholesome effect and out of it will come a better understanding of what is needed. When the various expressions are made as to conditions in different sections of the country as to what should be done, some common plan that is workable ought to be evolved, out of which Congress can act intelligently. Much help has come through the investigation and report of the Joint Congressional Commission of Agricultural Inquiry. Coupled with this will come the assembled information asked for by President Coolidge and will go a long way to reach a solution for the situation."

Section 3

MARKET QUOTATIONS

Farm Products

Oct. 25: Chicago hog prices closed at \$7.70 for the top and \$6.90 for the bulk; beef steers with medium and good grades ranged from \$10.25 to \$11.50; butcher cows and heifers \$3.25 to \$10.75; feeder steers \$4.25 to \$7.75; veal calves at \$7.50 to \$10.75; fat lambs \$11.25 to \$13.25; feeding lambs \$11.00 to \$12.60.

Hay market generally firm. Demand for better grades continued good. Heavier receipts of corn and increased production of feedstuffs caused easier tendency in markets.

Potato markets tend lower. New York Round Whites closed at \$1.65; to \$1.85 sacked and bulk per 100 lbs. city markets, \$1.45 to \$1.55 f.o.b. Demand for eastern onions slow to moderate, markets about steady. Apple markets dull. Eastern York Imperials \$3 to \$3.75 per barrel city markets.

Closing prices of 92 score butter to-day: New York 48¢; Philadelphia 49¢; Boston 48¢.

Closing cash grain prices: No. 2 red winter St. Louis \$1.16 to \$1.18; No. 2 hard winter wheat Chicago \$1.08 3/4 to \$1.11 1/2; No. 1 dark northern spring wheat, Minneapolis \$1.16 to \$1.29; No. 2 yellow corn St. Louis \$1.03 1/2 to \$1.04; Chicago \$1.03; No. 3 white oats Chicago 41 1/2 to 43 1/2 cents.

Spot cotton up 37 points, closing at 30.21¢ per lb. New York December future contracts up 48 points, closing at 30.58¢. (Prepared by Bu. of Agri. Econ.).

Industrials and Railroads	Average closing price	Oct. 25,	Oct. 24,	Oct. 25, 1922
	20 Industrials	86.43	87.13	98.00
	20 R.R. stocks	77.78	78.41	91.43

(Wall St. Jour., Oct. 26.)

Section 1.

Wheat for Germany The New York Times to-day says: "Steps to finance large shipments of wheat to Germany as a charitable proposition may be taken by the administration if conditions abroad supply evidence of extreme suffering because of the lack of sufficient food supplies in Central Europe, it was made known October 26 at the White House. President Coolidge is reported to be sympathetic toward the suggestion, believing that the American people would be anxious to do what they could to alleviate conditions among the German people if Germany was faced by famine conditions.....It was stated at the White House that the President was anxious the Government should do everything in its power to help in financing grain shipments for export where this properly could be done, and that it would be proper for the Government to supervise charitable offerings of grain if Congress gave its consent."

Boll Weevil Menace Conference A New Orleans dispatch to the press to-day states that a permanent organization to be known as the National Bollweevil Control Association was created October 26, marking the end of the Boll Weevil Menace Conference. The association will be perfected by an executive committee of twenty-two members, representing ten varied interests of the cotton industry. Claude G. Rives, jr., of New Orleans, president of the Louisiana Bankers' Association, chairman of the conference, named part of this committee, which will meet on Nov. 17 in New Orleans, when the full personnel will have been named. The executive committee, whose headquarters will be in New Orleans, is to be composed of two members each from the United States Department of Agriculture, the Association of Southern Agricultural Workers, and railroads; banks; cotton manufacturers, cottonseed crushers, fertilizer manufacturers and newspapers, and four members who are cotton growers. Those named on the committee from the Department of Agriculture are: W. D. Hunter, and B. R. Coad, who is in charge of the Federal boll weevil experimental station at Tallulah, La.

Boll Weevil Bulletin Asked Another New Orleans dispatch says: "The Federal Department of Agriculture was asked in resolutions adopted here October 26 by the National Boll Weevil Menace convention to issue a bulletin, or series of them, giving in detail knowledge regarding the boll weevil and methods of control, and to arrange for wide distribution in order that cotton growers might better conduct warfare against the pest. The convention also adopted a resolution indorsing a tariff on all vegetable oils that come in competition with cottonseed oil, and sent petitions to the Tariff Commission asking that changes be made during the present crop."

Calcium arsenate, either as a sirup mixture or in the form of dust, applied before the blossoms form, was recommended to the National Boll Weevil Menace Conference by the Special Committee of Investigation as the proper weapon to be directed at the cotton pest. (Press, Oct. 27.)

Section 2.

Agricultural
Situation

The Las Vegas Daily Optic for October 20 says in an editorial: "While the Government with its tedious process of proposed aid to the farmer is muddling through the present situation, the farmer should get busy and help himself. He himself holds the cure to the present economic situation. Given a gravel road to the farm and a diversity of crops such as are possible in this district for quick moving to market every day to catch high market prices, the Las Vegas farmer can make money that he is now not getting or is losing."

Cooperative
Marketing

Paul Findlay says in the Price Current for October: "Co-operative marketing of their products by farmers is 'in the air' these days. Everybody is talking about it, trying to note its tendencies and discussing 'where it will lead.' Everybody who is not a farmer, not a producer of prunes or other crop now cooperatively marketed is agreed that the plan is great for the farmers. Some are agreed that it is equally great for consumers.....So far nobody has said much about the merchant, wholesale or retail.... Well, the merchant is pretty used to that sort of thing. He operates the freest industry in the world, without any sort of protection other than what may be afforded him by his own ability to cope with conditions. He has no friends outside his own circle--except one that is more powerful than any yet devised by man: the law of economics. That law stands guard over him with the unescapable dictum: 'It costs thus and so to perform your service. Therefore, thus and so is what you shall be paid,' and nobody ever has been able to sidestep that dictum. Hence, the merchant sits secure--even if not exactly 'pretty'..and survives all attacks. Moreover, he will continue to survive in precise proportion as he watches and conforms to modifications and developments made in keeping with economic law. But the cooperative marketing movement has had a vast, even though unnoted effect on grocers and their welfare. The effect has been all to the good, speaking generally. For cooperative marketing has resulted in standardized products packed in standardized packages. Articles which were occasional, seasonal products have become staple, year-round commodities. Advertising has so broadened the market that many things the handling whereof formerly entailed much risk on merchants are now perfectly safe, virtually free from undue shrinkage or fluctuation. About the only effect on margin so far has been in the direction of uniformity; the average figure is slightly lowered, it is true, but that average prevails more uniformly everywhere. But the margin now is earned on many more sales than formerly, and those sales are spread over a much longer period, so the merchant benefits in numberless ways directly as a result of cooperative farmer-marketing."

Farm Products

Commerce Monthly (New York) for November says in an extensive article on "Crop Diversification in the United States,": "Farm products in world markets now bring relatively low prices. In part this is due to the competition of other agricultural countries in many of which cheaper labor and lower standards of

living prevail. In part it is due to the fact that an impoverished world can not afford to pay high prices for even the necessities of life. American farmers will have to meet price competition in the world market as long as they produce a surplus for export. But with the rapid movement of labor from farms to industrial centers, the gradual reduction of soil fertility and the continuing high cost of goods they must buy, farmers are faced anew with the old problem of how to keep cost below selling price. One of the most effective means of lowering production cost of farm products is to increase the yield per acre provided demand is commensurate with aggregate production. It is obvious that practically the same amount of labor is required to prepare and cultivate land that returns a low yield as to prepare and cultivate that which gives a high yield per acre. However, larger yields can not be obtained unless soil fertility is increased and maintained. A greater return may be obtained by liberal applications of commercial fertilizers but these alone can not permanently improve land."

Freight Rates

The National Provisioner for October 20 says in an editorial: "There has been a suggestion made recently that the railroads of the United States reduce freight rates on wheat. This has been urged as a way to get out of the situation in which wheat finds itself. But while realizing that the recent slump in wheat was an important matter requiring some action, the meat industry can not see why wheat should be singled out to receive reduction in rates. Freight rates do not represent the whole trouble by a long shot.....Before making any reduction in freight rates on one product there ought to be a careful study made. Reduction in rates such as recommended is often a subsidy which may help for a time, but is not really in the best interest of the one product benefited. It is asking for favors. There should be a study made of all products, including livestock and meat products so that a reasoned and reasonable result might be reached which would be of use to all."

New Zealand Livestock

A London dispatch to the press of October 24 says: "The keen competition of Argentina in the exportation of beef to the United Kingdom has resulted in the New Zealand farmer taking to the fattening of lambs or to the production of butter and cheese rather than beef raising, according to Premier Massey, who to-day addressed the Australian and New Zealand Luncheon Club. Mr. Massey cited figures showing that in 1922 South America furnished the United Kingdom with 5,127,835 quarters of beef, while New Zealand's exports fell to 267,530 quarters, as against 629,852 the year before."

Packers in Argentina

A Buenos Aires dispatch to the press of October 26 says: "A representative of the Anglo-South American Meat Company has petitioned Minister of Agriculture LeBreton to annul the decree promulgating the minimum price law for meat. A note filed by the company expresses the belief of the petitioners that the law is

unconstitutional and says the company finds it impossible to comply with the provisions of the statute. The memorandum cites the fact that while the law compels purchasers to buy cattle liveweight on the ranches, neither the ranches, the Buenos Aires market nor the packing houses possess adequate weighing machines. The note points out that although the statute fixes a uniform minimum price for animals in all parts of the Republic, the freight charges to the packing house range from less than one peso to nineteen pesos per animal. For these and for other reasons which render the law impracticable, the petitioners request annulment of the decree, while reserving the right to seek all available means for obtaining repeal of the measure itself. It is understood that representatives of other packing houses will present similar petitions."

Purchasing Power of Farm Products The Providence Journal for October 24 says in an editorial: "The real comparison, therefore, so far as earnings of agriculturists are concerned, must be made between 1913 and 1923. If the farmer deemed himself unfortunate ten years ago in the matter of financial return for capital and labor invested, he logically expresses dissatisfaction this year. If he felt that his efforts were fairly well rewarded a decade ago, he must be of the same opinion to-day. For the purchasing power of his crops varies but little indeed at the present time from what it did in 1913....The only market that is now congested, however, is the wheat market. Delayed sales of this particular product at uncertain prices, or forced sales at sacrificial figures, can not affect the total sum to be realized from the six commodities to any great extent. For wheat represents less than one-ninth the value of the combined crops. The only other product which is liable to change in price considerably, because of possible complication in foreign markets, is cotton. The latter crop this year is estimated to be worth approximately one-fifth the total of the six commodities. Corn, oats, potatoes and hay, mostly consumed by domestic demand, will find a market varying not widely from the figures forecast by the Department of Agriculture."

Roads

Topeka Daily Capital for October 16 says: "A bulletin of the National Budget Committee finds that a substantial part of the higher cost of State and local Government lately is due to road building....As a consequence of good roads, however, new industries have sprung up. Transportation by motor car and truck has become in a few years an important factor in the whole transportation system of the country and is growing by leaps and bounds. This is a productive business and a legitimate new industry.....It is characteristic of the country to do things on a large plan and do them quickly. This is Americanism. It would be amazing otherwise to consider how short a time ago it was that this Nation had the worst roads of any first class country and that the scandal of poor roads and no roads, or impassable roads, was a subject of comment and prodding by newspapers and many organizations. It seemed a hard job to start a good roads movement. But suddenly it started. Now, a few years later, we are spending annually a billion dollars a year in the construction of up to the minute highways in

every part of the country. Once the movement took a grip on the American imagination it went at a characteristically American pace. Here and there the pace may be slowed down because of the burden of taxation, but there is no stopping the good roads movement now it is fairly going, and the result will be not only a new motor industry, a new factor in transportation and a great stirring up and getting about of the people, but the best instead of the worst highways in the world....."

Section 3.
MARKET QUOTATIONS.

Farm Products

Oct.26: Chicago hog prices closed at \$7.70 for the top and \$6.80 to \$7.70 for the bulk; medium and good beef steers \$7.75 to \$11.50; butcher cows and heifers \$3.25 to \$10.75; feeder steers \$4.25 to \$7.75; veal calves \$7.50 to \$10.75; fat lambs \$11.25 to \$13.50; feeding lambs steady at \$11.25 to \$12.60.

Potato markets nearly steady, demand slow to moderate. Northern Round Whites \$1.45 to \$1.65 Eastern markets 90¢ to \$1.10 in Chicago. Sweet potato markets irregular. Eastern Shore of Virginia yellow varieties, \$2.50 to \$3.65 per barrel city markets, top of \$3.85 in Chicago. Cabbage markets fairly steady. New York Danish type \$25 to \$30 bulk per ton, \$15 to \$17 f.o.b. Markets steady on eastern onions, other stock irregular. Apple markets dull. Eastern Jonathans about steady at \$4 to \$4.50 per barrel in Philadelphia.

Wholesale prices 92 score butter Oct.26: New York 48 1/2¢; Philadelphia 49 1/2¢; Boston 48¢; Chicago 47 1/2¢.

Closing cash grain prices: No.2 hard winter, Chicago \$1.08 to \$1.11 1/2; No.2 red winter, St. Louis \$1.13 to \$1.16; No.2 yellow corn \$1.03; No.3 white oats 41 1/2 to 43 3/4¢.

Spot cotton up 2 points, closing at 30.23¢ per lb. New York December future contracts advanced 9 points, closing at 30.67¢.(Prepared by Bu. of Agri. Econ.).

Section 1.

Wheat Export

The Philadelphia Ledger to-day says in an editorial: "We have about 200,000,000 bushels of wheat as a surplus for possible export. It is now worth about \$1 per bushel. If exported, it must compete with Argentine and other wheats. If sold in Liverpool, Hamburg or anywhere else, it would not yield to the grower much more than he is now getting. Some of the wheat-growers want the War Finance Corporation used as an expert sales agency. What they actually want is some Federal action that will add at least twenty-five cents a bushel to the present market price, making up the difference from the United States Treasury. For a crop that produces no more than 6 per cent of the value of our yearly farm production an amazing lot of fuss is being made over it. In other words, wheat has got into politics."

Wheat Rates

A New York dispatch to the press to-day says: "Proposals that export freight rates on wheat be reduced by the railroads may result in some relief, in the opinion of R. F. Bausman, export manager of the Washburn-Crosby Company, but he points out that before American wheat can be sold in foreign countries there must be a market, and there must be considered the ocean freight rates from American ports as well as the rates on American railroads. He lately returned from a two-month trip through Europe. The domestic flour miller is the wheat raiser's best customer, he says. Any opportunity for the increased exportation of flour will be of direct and permanent aid to the wheat raisers, but articles of commerce will not move unless there is a market with purchasing power to absorb them. At present, export rates on flour are disproportionately higher than export rates on wheat, he points out. Any action by American and foreign steamship lines to stop freight rate discrimination against flour will tend to afford relief to the American wheat-raiser by increasing the amount of flour exported."

Wheat for Germany

A Berlin dispatch to the Philadelphia Ledger to-day says: "American proposals to ship great quantities of wheat to Germany and to undertake famine relief on a large scale....evidently are founded upon a misapprehension of the situation in Germany. There is no shortage of grain in Germany, nor any prospect of such a thing for months. On the contrary, the granaries are jammed with domestic wheat from one of the largest crops of the last decade.....The problem, like almost every problem in Germany to-day, is one of finance--the movement of grain on the market being hampered and virtually stopped by the refusal of the farmers to sell their crops except in exchange for stable currency, such as dollars or gold loan certificates. Plenty of domestic wheat and rye is offered in the Berlin market for real money, but there were few buyers owing to the difficulty of financing payments.....Germany will need a certain quantity of imported grain to tide her over until the next harvest, but the need will not be felt until the coming spring."

Section 2.

Agriculture

The Weekly Kansas City Star for October 24 says in an editorial: "In attempting to reconcile high production costs with low prices of farm products we should not overlook or give even secondary place to good farming as a means of relief. The individual farmer can not raise the price level of his products and to bring this result through cooperative effort will take a long time. But the individual farmer does control in a considerable measure his production costs....When we have done all that is possible to do to better marketing systems and when the Congress and State legislative bodies have passed all possible laws for the relief of agriculture, it will still be true that prosperity is within the reach of only those who follow good farm practices. Careless farming will not be profitable in ordinary times any more than is indifferent merchandising or indifferent preaching."

Cotton Report

The Wall Street Journal for October 24 says in an editorial: "Naturally the cotton market has been exercised by the plan of the Department of Agriculture to issue an extra report November 2, covering conditions to October 25. It seems superfluous to speculate on the department's reasons. Many in the cotton trade believe that when this report is released the bureau will be seen seated well in front on the band wagon at present monopolized by the cotton bulls. It is this belief which has disturbed the cotton market. No matter what the report may be the real situation will not be altered. Markets may fluctuate up and down but the supply situation remains unchanged. There are three important factors around which the whole situation must revolve. One of these is that by no possibility can the crop equal as much as the world consumed last year. The crop was handicapped last July and 'ruined' in August. Production certainly is far below the annual consumption of the past two seasons. Another point is that of probable mill consumption. The situation of mills in the United States is not comfortable and 30-cent cotton seems the fighting line with them. But business conditions are sound, labor is employed at peak prices, the public purchasing power is large, and there is a certainty that people will need and buy clothing. Just where the price must go before they will refuse to buy is a debatable question. Some marginal mills may close, but a country that last year consumed 6,664,710 bales of cotton will absorb a large amount out this season. A third point is that of foreign demand. There is a probability that importers of American cotton will take considerably more this year than last. The opinion was prevalent last season that foreign mills were doing little because our exports of raw cotton were shrinking. It is a truth that they did restrict consumption, in the latter part of the year, yet their total consumption was large. The entire world consumption of American cotton last year was within a few bales of that of the year before. Foreign mills that did not buy much simply fell back on their reserve stocks and dug deep into them. That

these foreign stocks are down to the irreducible minimum is something that can not escape notice. Foreign countries are now taking more American cotton than a year ago. Already they have taken 1,376,000 bales where a year ago they took 1,076,300. They have a big void to fill and are filling it. They may offset any decline in our consumption. The bureau report can not make it any easier for those who must buy cotton. It may, however, emphasize the bullishness of the situation."

Farm Products

The Washington Post for October 27 says in an editorial: "In the last twelve months prices of farm products have increased more than 20 per cent. For virtually all principal crops the farmer is receiving substantially more than in 1913. In the current year the purchasing power of the farmer's dollar has increased. These are facts of official record that should encourage the farmer's hopes for continuing betterment of conditions. The increase in the purchasing power of the farmer's dollar swells the increase in the prices received by him for his crops. The significance of all this is that it evidences improvement in agricultural conditions and promises greater prosperity. The trend of economic events is in favor of the farmer and not against him."

Government Aid

The Montana Farmer for October 15 says: "Farmers who have been on the receiving end of governmental relief measures in general, and of the War Finance Corporation measures in particular, are interested in the visit of Mr. Meyer and his party, are hopeful that much good will come of it, but are not indulging in any hysterics or mental balloon ascensions over the prospects of any great practical assistance. Not long ago, relief for the stockmen was ushered in after this same fashion and the stockgrowers were elated over the prospects for some practical assistance. Now, the mention of the War Finance Corporation has about the same effect on the average Montana stockman as a red flag has to a bull. Some indirect benefit has no doubt resulted through the corporation's work with banks, but the story of the institution, handling of loans of stockmen is a story of bitter disappointment to the producers, of deplorable misdirection, of a lack of intelligent appreciation of the needs of the livestock industry. After the experience most Montana stockmen have been through, they would prefer to make a 10 per cent compound contribution to their local bank rather than undergo the intolerable grilling that they have been subjected to at the lower rate.....Apparently the policy of the War Finance Corporation is to consider a stockman a childish incompetent who will default if given the slightest opportunity and to bind him up in red tape and shackle him with idiotic restrictions so that he can not make a move toward getting his business back on a paying basis. Perhaps the officials of the War Finance Corporation have profited by their past experience and are prepared to give the wheat growers some practical assistance. If they haven't, then we are inclined to think that most cooperative associations would be better off if they would rely on their own efforts and keep clear of governmental red tape. Wisely managed

governmental financial assistance would be a decided help to co-operative organizations that are just getting started but if governmental help is accepted in exchange for control of the marketing and selling end of the business then it comes at too great a cost."

Migration of Farmers

The Antigo Daily Journal for October 23 says in an editorial: "We were talking to a local real estate man the other day and he expressed himself as being very much pleased over the manner in which inquiries were coming in regarding farms. A couple of years ago, he said, you couldn't find a customer; now they are coming to us. This is a good sign and is an indication that the farm is again coming into its own and the trend toward the cities will in a measure at least be stopped.....The Journal, as does Dean Russell, of the University of Wisconsin, makes it clear that in order to make a success at farming one must be educated to the work....The need of education for the farmer is being recognized more and more. It is the one essential that means greater prosperity for the farmer."

Price Fixing for Wheat

The Daily Drovers Journal-Stockman for October 23 says in an editorial: "A great many people who freely admit that price fixing is communistic and dangerous as a rule insist that it is desirable in an emergency and that an emergency now exists. They would object to a program of price fixing for agricultural products in general but maintain that nothing can save the wheat farmer in his present dilemma except a fixed price that would yield him a profit. The big trouble is that when the price is fixed on one article it necessitates a readjustment of prices on other commodities and there is no telling where it will stop."

Production

The Daily Drovers Journal-Stockman for October 23 says in an editorial: "The farmer's big problem to-day is economical production all along the line. Increasing production was all right under war-time conditions but what is needed now is profitable production."

Wool

The New York Times for October 28 says: "Perhaps the most interesting feature in the wool situation is the added attention now given to crossbreds. For a long time interest centred on merino wools and resulted in thrusting up prices on fine fleeces. Nowadays the finer wools are more in demand in France and Belgium than anywhere else, while British and American buyers are going in stronger for the medium grades of crossbreds. This is shown in the auction sales now in progress in London, where prices for these grades have been quite firm. In this country wool sales are not especially notable. The mills have not done very well on fabrics for the Spring season and are preparing to open up for the next heavyweight offerings at an earlier date than usual, according to reports which are current. The only reason for such a course would be to prevent shutdowns, with consequent injury to the organizations."

Section 3.

Department of
Agriculture 1

The Philadelphia Ledger to-day says: "Farmers, who are more interested in the weather than any other class of people except the anthracite burners of New England, have received a warning from their friend in the Federal Government--Henry C. Wallace, Secretary of Agriculture. Mr. Wallace, himself a farmer, says the people should pay no heed to unofficial forecasts regarding next winter's weather. For several months now newspapers have been printing ominous predictions that the 'sun is going on strike' and forecasting 'the coldest and snowiest winter in the history of New England.' Some of these unofficial forecasts purport to come from the Government. The United States Weather Bureau, which comes under Mr. Wallace, absolutely disclaims any responsibility for such dire forebodings. Unofficially, the forecasters at the bureau admit that they can not hope to bat more than .333 per cent in forecasting, much less accurately predict the general character of the weather for weeks and months in advance. Reputable meteorologists say that thus far no laws of nature have been discovered whereby long-distance forecasts of a reliable character can be made."

2

A St. Matthews, S.C., dispatch to the press of October 26 says: "That the entire cotton world is more and more deeply alarmed over the shortage in the supplies of American cotton and the facts regarding stocks of spinnable cotton available for the next 12 months," says the American Cotton Association in a statement issued to-day, 'is accentuated by the determination of the Federal Crop Reporting Bureau of the United States Department of Agriculture to issue on November 1 a supplementary report on the 1923 crop of September 25. The fact that the Government's acreage estimate and its consequent crop estimate exceeded those of the American Cotton Association and private estimates by 1,500,000 acres and 500,000 bales, respectively, has been noted and has given universal concern and general dissatisfaction. The American Cotton Association vigorously attacked the accuracy of the Government's October 2 forecast when issued. The contention was made that the forecast was at least 500,000 bales in excess of the average forecast of production by the private statistical agencies. The association brought all possible pressure to bear upon the Cotton Reporting Bureau to revise its cotton acreage estimate, and later communicated with the Secretary of Agriculture urging that he direct the bureau to issue a revised report at the earliest possible date. The association feels that its figures are correspondingly nearer the mark year by year than those of the Government's. If the association is right, the consuming world is liable to be faced in the next 10 months with the greatest shortage in cotton supplies seen since the sixties. Mills may be forced to curtail and run on short time, and, in the opinion of the association, in spite of this precautionary measure, many mills

may find themselves forced to shut down entirely because of exhaustion in supplies before another crop can reach the market."

MEETING

A meeting of the Library staff of the department will be held on Tuesday afternoon, October 30, promptly at 4:30, in the Reading Room of the Main Library, Bieber Building. Miss Barnett will talk on her European trip.

Section 4.

MARKET QUOTATIONS.

Farm Products

Oct. 27: Chicago hog prices closed at \$7.65 for the top and \$7 to \$7.50 for the bulk. Medium and good beef steers closed at \$7.75 to \$11.50; butcher cows and heifers at \$3.25 to \$10.75; feeder steers \$4.25 to \$7.75; light and medium weight veal calves \$7.50 to \$10.75; fat lambs \$11.25 to \$13.50; feeding lambs \$11.25 to \$12.60; yearlings \$3.75 to \$6.75.

Potato markets steady. New York Round Whites closed at \$1.75 to \$2 sacked and bulk per 100 lbs. eastern cities; \$1.45 to \$1.55 f.o.b. Northern Round Whites \$1.45 to \$1.65 eastern markets; 85¢ to \$1.10 in Chicago; mostly 80 to 90¢ f.o.b. Eastern onions in New York \$3.50 to \$3.60 sacked per 100 lbs. Other markets steady at \$3. to \$3.35. New York Danish type cabbage closed at \$25 to \$30 bulk per ton eastern markets; \$15 to \$17 f.o.b. New York Northwestern Greenings closed at \$5 to \$6 per bbl. in New York. Eastern York Imperials \$3 to \$3.25 in Baltimore. It is estimated by growers that from 15 to 20 per cent of the apples in the Martinsburg, W.Va., district, were blown to the ground by the wind storms of the past few days.

Wheat market develops firmer tone during week. Prospects of American aid in the European situation together with reports of unfavorable weather in Argentina were strengthening factors in the future market. Corn future prices declined about 2¢ during the week and cash prices 8 to 10¢. Increased offerings of new corn weakened cash prices. New corn contained excessive moisture and sold around 75 to 80¢.

Eastern hay markets developed an easier tone during the week. The higher grades were scarce but there was a good supply of lower grades which moved slowly.

Feed markets barely steady. Transit offerings about unchanged, with interior demand slow.

Spot cotton prices advanced 80 points during the week, closing at 30.26¢ per lb.; New York December future contracts advanced 109 points at 30.69¢. (Prepared by Bu. of Agr. Econ.)

Section 1.

The President and The Washington Star last night said: "Desirous of being able to present to Congress, in December, a concrete program of agricultural relief, President Coolidge has begun serious consideration of the proposal that the War Finance Corporation finance the sale of surplus wheat to Europe.....The proposal that the Finance Corporation's machinery be used as a wheat export sales agency was laid before Secretary Wallace in detail several days ago by a group of middle western grain men, and later outlined briefly to the President. Prior to the visit of the grain men, Mr. Coolidge had been acquainted with the general features of the plan by C. H. March of Litchfield, Minn., who through his large land interests in the Northwest has made a special study of the problems of the wheat growers of that section and of farmers generally....."

Mr. March is quoted as saying: "Because adequate steps to aid the farmers have not been taken, there is real distress in the West. This can not be disputed by any one who knows the situation." He told the President that approximately 900,000 farmers left the farm in 1922 and that from 1,000,000 to a 1,500,000 would leave this year unless something was done by the Government to relieve the situation. Approximately 200,000,000 bushels of wheat would be available for export, as America's surplus in event the War Finance Corporation undertakes to finance foreign shipments, according to Mr. March's estimate.

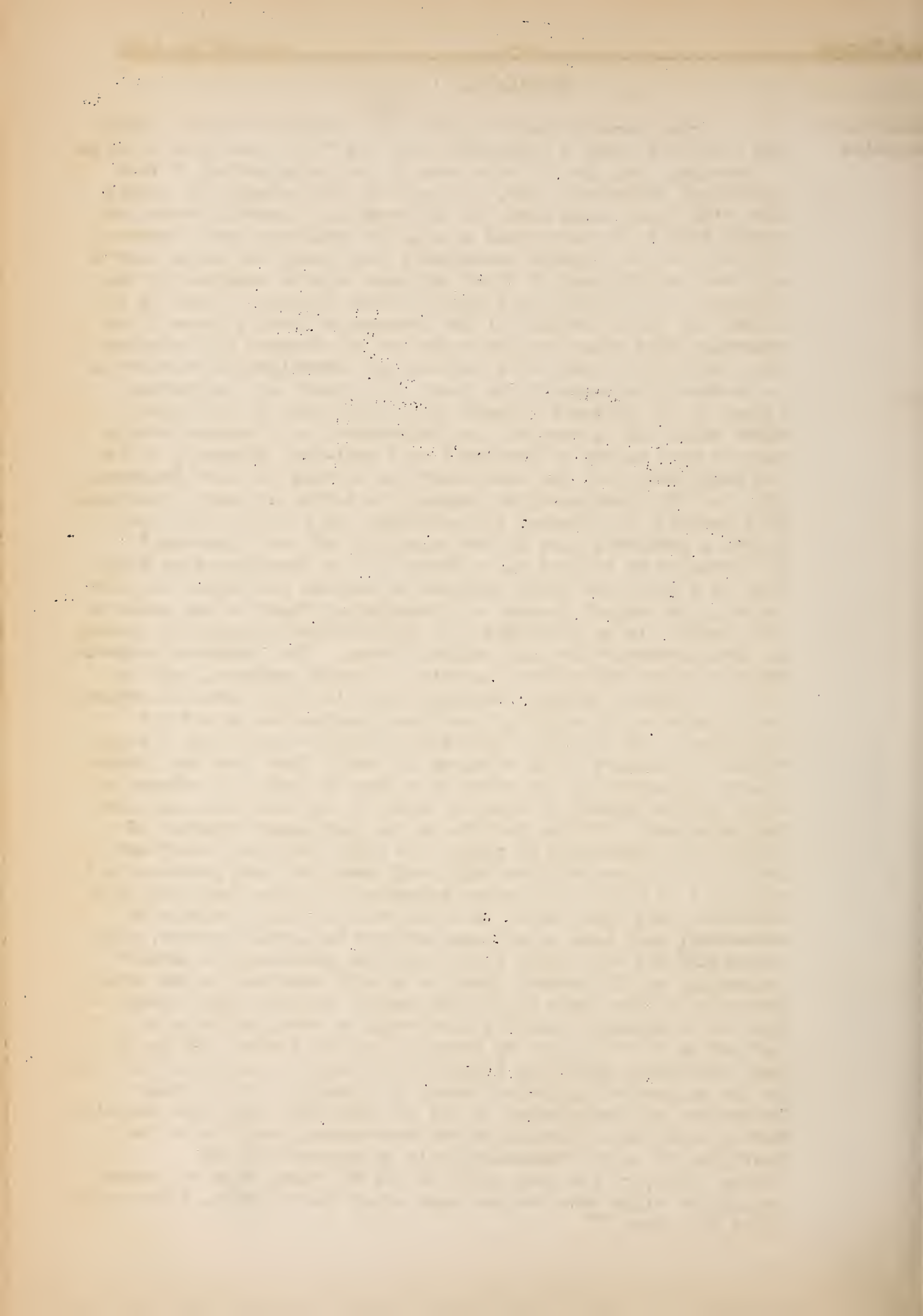
Bankers' Convention The desirability of participation by the United States in efforts to solve the reparations problems, developments in the domestic agricultural situation and the necessity for definite action to defeat the operations of promoters of fraudulent securities, were topics of major importance at the opening session of the convention of the Investment Bankers' Association at Washington yesterday, according to the press to-day. The principal convention addresses were delivered by President Coolidge, the Secretary of Agriculture and John A. Prescott of Kansas, president of the association. Secretary Wallace is quoted as stating that the condition of the farmer is improving. In his opinion, if the degree of improvement noted this year over 1921 and 1922 is continued in 1924 and 1925 "we will forget there ever was a farmers' problem."

Bankers for Orderly Marketing An Omaha dispatch to the press to-day states that the agricultural commission of the American Bankers' Association, after two hours of spirited debate, October 29 adopted unanimously a resolution affirming its faith in "orderly marketing of crops and in the efficacy of the cooperative marketing idea," with the provision that "organizations employing this idea be conducted on sound economic principles.".... Most of the supporters of cooperative marketing were from Southern States and pictured its success in the marketing of cotton, rice and other Southern crops.

Section 2.

Agricultural
Commission

Price Current-Grain Reporter for October 24 says: "When the President sends a commission into the West whose purpose it is to encourage and also to take part in the organization of food producers' monopolies, and, to carry on this program, to supply them with funds taken from all the people by taxation there can hardly fail to be introduced a sense of uneasiness and distrust. Although this may appear immediately only among the large body of men who have millions of fixed and cash capital invested in the business of marketing grain which becomes subject to what is in effect the direct attacks of the Government itself, there is no assurance that other interests may not be attacked in a similar way. As this is being done without any investigation whatever as to the practicableness of the wheat pool theory as a marketing agency or its ultimate effects upon agriculture in the spring wheat belt, but is accepted and recommended as a panacea simply because this course is advocated by a well-paid attorney, it is not surprising that the uncertainty as to what the next Congress will do with administration support, to follow up such a questionable campaign of promoted collectivism, 'is a factor which has played a prominent part in the psychology of the situation.' The endeavor to relieve the distress of the wheatgrower by this plan to disrupt the grain business in certain localities and disarrange the natural process of distributing wheat to the mills of the country, is an adventure into collectivism that has no apology in good government or good business sense. The laboratory experiments with the collective marketing of minor products, such as raisins, prunes, oranges, walnuts, eggs (locally), even of cotton and tobacco -- all strictly localized products -- is not yet completed. The fact that some such monopolies are doing a large volume of business is no evidence in itself that they are financially successful in the sense that they are paying dividends of extra profits earned by superior service, or that they make for the permanency of those profits or the particular branches of agriculture interested in them....To apply the same theory and method, which are still on trial with peculiar farm products most congenial to such a laboratory experiment, to the marketing of a universal crop like wheat, is a proposal no real economist or statesman, much less a cautious business man, would advise; more especially one who should first take the precaution to inquire thoroughly on the ground, into the results obtained in the actual operation of the pools which have been in business long enough to make an examination possible that would be worth while as an indication of what might be expected for the future. There are so many contingent reactions (political as well as social and economic to the collective marketing theory and practice, that a sound Government attitude toward it (if any attitude other than negative were a legitimate function of our Government) would be to investigate it before recommending it as unreservedly as Eugene Meyer, jr. has been doing in the Far West, when by proper inquiry he might have learned much about wheat pooling that would 'give him pause.'"



Agricultural
Education

Vocational education in agriculture in the public schools is virtually paying for itself, Calvin F. McIntosh, member of the Federal Board for Vocational Education, announced October 28, on the basis of returns from "supervised practice" projects which the vocational pupils are required to carry on as a part of their training course. "Approximately 35,850 pupils who complete their practice projects are included in these returns," Mr. McIntosh said. "The crop yields of these pupils for the year at the prevailing market prices totalled \$3,519,530. This return may be compared with \$3,403,236 expended by the States and the Federal Government for teachers' salaries in the agricultural schools for the same year. For every dollar expended on teachers' salaries the pupils returned \$1.03 in crop yields." (Press, Oct. 29.)

Agriculture in
Europe

A smaller European demand for American wheat and other grains is expected this year. Figures furnished by twenty-four countries show that total production of wheat in those countries this year is about 8 per cent ahead of last year with the result, according to the Federal Reserve Bulletin for October, "that the European countries, which are the chief customers of the United States for surplus food products, are in a position this year to supply a larger portion of their requirements than they were a year ago." Looking over the situation at large, this report, which is based on United States Department of Agriculture figures, says that "nearly every country reports an increase in the prospective yield of wheat, with the exception of the United States, for which the latest official estimate gives an anticipated reduction of 8 per cent, and Great Britain, where a somewhat reduced crop is expected, while in Europe as a whole and in Canada increased yields are indicated." Other important crops such as rye, barley and oats are reported also to be larger in most countries than they were a year ago. Aside from the fact that this greater production reduces the size of the potential market for American wheat, the figures are regarded as interesting in that they show a recovery by European countries in agricultural production. The recovery in agriculture, in fact, is said to have been much quicker than that of other industries, notably iron and steel production and basic businesses, which have been slow to emerge from the depression after the World War. (Press, Oct. 29.)

Cooperative
Marketing

Price Current-Grain Reporter for October 24 says: "There is very little gain in using space in these columns to characterize to our informed readers the new revival of the impracticable scheme which the Committee of Seventeen of 1920 unloaded as the U.S.G.C., Inc. It should be talked to or written for the farmer who is being deceived. Yet it is so impossible to conceive how it can be of the slightest benefit, while it may be of great damage, to the wheat growers, that it seems inconceivable that any competent business man not under the narcotizing spell of Mr. Sapiro's oratory should lend his countenance to so palpable a fallacy and invite farmers to write themselves down as business incompetents and pay \$10 each for the privilege of defending that incompetency. The unfortunate condition exists, however, that it is exceedingly difficult to get

the real facts of the matter and arguments to show the nature of this fallacy before the people who ought to know what it will mean to them. The press of to-day will boost a popular blunder but it will rarely expose its true nature."

Cooperative
Marketing and
Banking

The Magazine of Wall Street for October 27 says: "While Congressional and other agitators have been at work devising plans for the subsidizing of the farmer or for the extension of lax or unsound credit in his behalf, the farm organizations of the country have been steadily building up a means of protecting their credits and of making it possible for the banker to do business with them and their members upon a sounder basis than heretofore. In this way, they have been laying the foundation for real agricultural progress; and their success has been so distinctive that it brought an unusual tribute of recognition at the recent Atlantic City meeting of the American Bankers Association. So strong and decided was the approval manifested by the members of the association that there were many delegates who rated the subject as the outstanding topic of discussion and interest at this year's convention. It may be expected that, partly as a result of the indorsement thus obtained, the smaller bankers throughout the country will make a point of promoting, so far as they reasonably can, the progress of cooperative marketing and financing for staple crops."

Grain Futures Act

Price Current-Grain Reporter for October 24 says: "There is a distinct movement among wheat growers and farmer leaders, looking to the repeal or amendment of the Grain Futures act. Representative Schall of Minnesota is one of the few who have the moral courage to say he has changed his mind on this subject. 'I thought,' he said recently, 'the Capper-Tincher law would result in benefit; but in its actual working out, it did not have that effect. I now believe this law should be amended to allow free, legitimate buying without undue interference from the Government. The farmer needs a market. When you shut off buying you shut off the market, and the exchanges furnished a broad market where the producer knew every minute of the day just what he could get for his grain.' Honest confession is good for the soul. We wonder how many others of the Farm Bloc will shrive their souls in the same way! "

Land Reclamation

The Florida Times-Union for October 25 says in an editorial: "Attention is being directed to a conference to be held in New Orleans next month, the purpose of which is to devise ways and means for suitable utilization of idle lands in the country and especially in the South. The meeting is announced as the Forestry, Reclamation and Home-Making Conference and the date of assembly is November 19. It has been called under the auspices of the Southern Pine Association, the Mississippi and Florida development boards and the New Orleans Association of Commerce, and cooperation with various State and Federal officials is assured....It is further shown that there are great areas of cutover, swamp and overflowed lands now lying idle and serving no useful purpose. This is true of Florida as of other States, and while the lands here are perhaps better generally situated than in some sections there is yet room

for improvement. A point that will be stressed in the conference is that the West has received Federal assistance for more than 20 years past amounting to approximately \$140,000,000 and in view of this fact the South, as well as the East and North, could properly claim some attention from the Government in practically similar needs. It is mentioned in connection with the call for the conference that portions of the South's idle lands could best be utilized for reforestation and portions would better be devoted to grazing and the livestock industry. Other cut-over lands can well be devoted to agriculture and the development of self-supporting farm homes. Florida has much cut-over land that is gradually being developed."

Section 3.

MARKET QUOTATIONS

Farm Products

Oct.29: Potato markets steady, demand light. New York Round Whites closed at \$1.85 to \$1.95 sacked and bulk per 100 lbs., \$1.45 f.o.b. Cabbage markets firm. New York Danish type \$25 to \$28 bulk per ton city markets. Eastern onions steady to firm. Apple markets dull. Eastern York Imperials \$3 to \$3.75 per barrel eastern cities. Northwestern extra fancy Jonathans \$1.75 to \$2.25 per box consuming centers, \$1.10 f.o.b.

Chicago hog prices closed at \$7.65 for the top and \$7 to \$7.50 for the bulk. Medium and good beef steers steady at \$10.10 to \$11.50; butcher cows and heifers steady at \$4.25 to \$7.75; veal calves lower at \$7.50 to \$10.50; fat lambs at \$11.25 to \$13.50 and feeding lambs at \$11.25 to \$12.60.

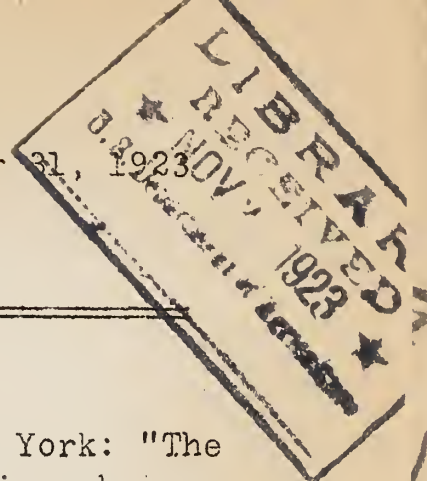
Closing prices, 92 score butter: New York 49¢; Philadelphia 50¢; Boston 48¢; Chicago 48¢.

Closing cash prices October 29: No.2 hard winter wheat, Chicago, \$1.08 to \$1.12; Kansas City, \$1.04 to \$1.25; No.1 dark northern spring, Minneapolis, \$1.18 to \$1.29; No.2 yellow corn, Chicago \$1.02 to \$1.03; No.3 white oats, Chicago 41 1/4 to 43 1/2¢.

Spot cotton up 4 points, closing at 30.30¢ per lb. New York December future contracts up 6 points, closing at 30.75¢.
(Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Oct.29,	Oct.28,	Oct.29,1922
	20 Industrials	86.20	85.76	96.90
	20 R.R. stocks	77.86	77.65	89.84

(Wall St. Jour., Oct.30.)



Section 1

Railroads to Resist Reductions The Philadelphia Ledger to-day reports from New York: "The railroads of the country will resist any efforts to bring changes in the existing freight rate structure, at this time, at least.

This will be the reply of a special committee of railroad executives, which, under the leadership of Samuel Rea, president of the Pennsylvania, will wait on President Coolidge before the end of the week, probably on Thursday, and relay the adverse decision of the traffic executives regarding the Chief Executive's recent suggestions for reduced rates on export wheat and changes in the existing rates on anthracite for export....So far as the specific changes in rates on export wheat and coal are concerned, it is expected the report to President Coolidge will bring out the fact that the present situation practically meets the suggestions that have been put forward."

International Conference Discussed A London dispatch to the press to-day says: "Europe is to make another effort to unravel the reparation tangle. The British Government October 30 decided to accept the French Premier's reservations and the British Charge d'Affaires at Washington was instructed by cable to inform Secretary Hughes of the decision of the Powers to enter a conference of experts such as Mr. Hughes suggested in his reply to Foreign Secretary Curzon's plea for American participation. If all goes well this commission of inquiry will be started before the overseas Premiers leave London, and it is hoped that in spite of France's severe restrictions it may lead to a larger plenary conference on the whole European situation, at Washington or elsewhere, in which the powerful neutral nations like the United States may make their voices heard....."

Packer Case Dropped The Federal Trade Commission last night announced it had dismissed its proceedings against Armour & Co., Swift & Co., Downey-Farrell Company, William J. Moxley, Inc., Ed. S. Vail Butterine Company, Troco Nut Butter Company and the Friedman Manufacturing Company, all of Chicago, against whom citations had been issued charging trade restraint in the sale of oleomargarine and butterine. (Press, Oct. 31.)

Buffalo Destruction The Philadelphia Ledger to-day says in an editorial: "Buffalo have become so numerous at Wainwright, Alberta, in the Canadian Government preserve, that 2,000 are to be killed and distributed by meat packers. That number is about the annual rate of increase of the herd, and it is too many for the park to support. But in view of the lament of sportsmen, often heard, over the passing of the great throngs of buffalo that blackened the plains in the old days, the present wholesale massacre is deplorable."

Section 2.

Agricultural Aid

The Journal of Commerce for October 30 says: "Some months ago Mr. John R. Mitchell, then a member of the Federal Reserve Board, made a trip through certain parts of the Minneapolis district and gave some good advice to the farmers therein. What he especially urged was the diversification of their crop areas in such a way as to cut out the competitive cereal crops so far as might be and to increase the acreage under flax, for which the district is well adapted. He made no attempt to explain to farmers how to farm, always an unwise thing for bankers and financiers to do, but merely laid before them the existing statistical and business situation as to that particular crop. The returns are now in and should form an interesting subject of study for those who are concerned in the farmer's hard plight. As compared with the previous year Minnesota's acreage under flax was increased 44.3 per cent, North Dakota's 110.1, South Dakota's 75.1 and Montana's 19.7 per cent. The total acreage under flax was enlarged from 1,303,000 to 2,285,000, or 76.2 per cent. Flax production, on the other hand, increased in Minnesota 64.2 per cent, in North Dakota 70.2, South Dakota 65.9 and in Montana 47.2, while the total output of the four States advanced from 11,383,000 bushels to 18,901,000 bushels, or 66.1 per cent. The best result of this growth was to give the farmer \$15,036,000 more from flax than last year, while the prices have been very satisfactory from a cost of production standpoint. As in many cases the yield in bushels per acre is about the same for flax that it is for wheat -- the earnings of the farmer may have been roughly increased by the difference between the price for flax and that for wheat. For the latter 90 cents would be a liberal average estimate, while for the former a figure of \$2 seems to be conservative. His advantage has therefore been as \$2 compared with 90 cents owing to the change of crops. This illustrates the way in which the farmer will most directly succeed in getting out of his present rut. He will never do it by following out the involved, even if shrewd, schemes of financing and withholding grain that are being pressed upon him by the gentlemen who are now traveling through the West for the purpose of showing him how to do business. Neither will he help himself by plans which call for cheap money or by anti-banking onslaughts which destroy confidence and cut off the credit of those regions in which the new plans are being tried. He will succeed, if he succeeds at all, by the same methods that are being pursued in other businesses -- economical production, adaptation of supply to demand and careful marketing. The experiment in the flax regions illustrates one application of this idea."

Agricultural
Education

Commercial West for October 27 says: "A few weeks ago James R. Howard gave out the statement that there are too many farmers in the United States, and advised that considerable of the farm population be employed in manufacturing industries. About a week ago, at the twenty-fourth annual conference of the National Federation of Implement Dealers in Chicago, there was a spirited

discussion as to ways and means of keeping farm boys on the farm. Seventy-five delegates, representing 20 agricultural States, went on record in favor of the Smith-Hughes congressional bill appropriating funds for teaching vocational agriculture in high schools. Here we have extreme points of view relative to farm labor. Mr. Howard has made exhaustive study of farm problems, and it is supposed that the agricultural implement dealers also have vast funds of information as to farming conditions. On one side arguments are offered showing that farming is overdone, and on the other perhaps as logical arguments as to why farmers' sons should be encouraged to follow agriculture as a vocation. The question is one that opens up a wide field for controversy. It will be admitted by those who are close observers of agriculture that what is most needed is fewer and better farmers. American youths of to-day are inclined to seek the vocational field wherein they believe they can best succeed. It is from the farms that recruits to the army of business men are constantly being drawn, and a survey of the banking, manufacturing, and commercial fields, as well as the professions, will show that among the most successful men are those who were reared on the farm, found home environment too narrow for their ambitions, and sought success elsewhere. As to the practicability of teaching vocational agriculture in high schools there is a question. However, there is need of teaching simple agricultural economics in the public schools and perhaps such courses could be well substituted for others less useful. Nearly every state in the Union supplies ample educational facilities for those who would become expert agriculturists. Such departments in the universities are accomplishing much for American agriculture, but it seems that it would be just as sensible to institute in high schools courses in railroading, banking, or other subjects generally included in the curriculum of colleges and universities as to teach vocational agriculture."

Automobile
Statistics

In answer to the question, "Where do all the motor cars go?" some interesting statistics have been compiled by the National Automobile Chamber of Commerce, based on the motor vehicle registration for 1922. Despite the general use of cars in farming and rural districts, the figures show that the largest ownership per capita is in villages and towns from 1,000 to 5,000 population. The villages and towns from 1,000 to 5,000 population contain 9 per cent of the United States population and this proportion owned 20 per cent of the 10,769,699 passenger cars in use in 1922. By another comparison these communities have one motor car for every 4.4 persons, or 230 cars per thousand people. In the purely rural localities there were only 70 cars per thousand persons, while the ratio for all towns and cities exceeding 6,000 population was 127 automobiles per thousand inhabitants. The farmer, it is explained, owns 30 per cent of the automobiles in the country and is the heaviest user of any industrial, professional or social group, but he constitutes 44.1 per cent of the population. "It may be," states the National Chamber report on these statistics, "that the rural use of the car is more intensive than would appear from these figures,

because it is probable that thousands of cars actually owned on farms are registered as from the nearest small town. This, too, would account for the extra heavy registration in the village group. The modifying factors, however, can hardly be sufficient to shake the conclusion that the farm use in relation to population is still the least developed, since the difference between the registration per capita in the country and in the city is so large." (N.Y. Times, Oct. 28.)

Cooperation in Finland

Finland is a country of cooperative societies. One-sixth of the population either buy or sell on the club plan and the system with its 526,000 members occupies an important position in the economic life of the new Republic. According to a report compiled by the Labor Office of the League of Nations the movement grew from one of three societies in 1901 to 3,422 in 1922, these including 788 stores, 515 dairies, 775 credit associations, 333 machinery societies and 195 peat and moss societies. In 50 per cent of the counties at least one-half the households belong to some cooperative society, and in about 10 per cent every family does. The cooperative movement in Finland differs from that in most countries in that it has not developed from local enterprises, but has been promoted from a central organization on a preconceived plan.... Production is now the big feature of the movement. The value of output in 1921 was 160,000,000 finmarks (normal value 19.3 cents, present exchange value 2.7 cents). Practically all the butter produced in Finland comes from the cooperative dairies. They do an immense export business, sales abroad in 1921 being 364,500,000 finmarks, or about \$9,841,500. Total sales in the cooperatives for the same year were 2,996,602,000 finmarks, or \$80,908,254. (N.Y. Times, Oct. 28.)

Dutch Farmers for Georgia

An Atlanta dispatch to the press of October 30 says: "Several hundred Dutch farmers may settle in Georgia, following a conference here between W.P. Montijn, Consul General of the Netherlands in the United States, members of the Chamber of Commerce and officials of the United States Department of Agriculture. Although indisposed to part with its farmers, the Dutch Government has been compelled in the last few years to seek out places where some of the country's ever-increasing farm population can find new homes. Most of the proposed immigrants for settlement in Georgia are from the great agricultural provinces of Friesland and North Holland--the first Province being the home of the Holstein-Friesian breed of cattle. They are experts in dairy farming and arch-champions of the cow, the hog and the hen and modern agriculture."

Flower Bulb Farms

A Savannah dispatch to the press of October 28 says: "Georgia may be the first State in the country to figure prominently in the growing of flower bulbs for distribution throughout the United States, as a result of developments under way on Wilmington Island, where the Sun Ray Bulb Farms Corporation is clearing land preparatory to planting 9,000,000 bulbs this year... Restrictions



which the Federal Government has placed upon the importation of flower bulbs will become effective in 1924, and it will give stimulus to the industry in the South."

Section 3.

Department of
Agriculture

1 The Washington Post to-day says: "The Department of Agriculture reports that eleven farm crops will show an increase in value of \$1,225,000,000 over that of last year. Banks operating in agricultural sections report decreasing demand for credit and increasing payment of indebtedness. Truly, the clouds that recently lowered over agriculture are showing a silver, if not a golden, lining. In certain sections agricultural conditions may still be bad, but conditions generally have greatly improved. Certain farmer elements may still be in sad plight, but the great majority of agriculturists find themselves in an economic movement that is steadily carrying upward. Whether the farmers will recognize this fact, or will permit themselves to be deluded by political farmers, remains to be seen."

2

Journal of Commerce for October 27 says: "There is ground for just complaint, that the Government after a number of years has not been able to discover a method which if faithfully employed on the farm can be counted upon to control the insect at moderate cost. With all the money and time that has been expended for that purpose it is no more reasonable to expect that at least that much should have been accomplished. Perhaps the most encouraging feature of this whole none too encouraging campaign is the changed attitude of the grower of cotton. Whatever may or may not have been the case in past years the insect is now recognized as an unmitigated curse. That fact appears at length to be thoroughly understood by the rank and file of the growers. This ought to prove a long step in the right direction, both in that it should render the farmer more willing to do what he can to control it and by reason of the fact that the average legislator is likely now to show more real interest in having the Department of Agriculture produce real results. The weevil will probably never be completely exterminated, glib talk to the contrary notwithstanding, but it should be possible to limit its devastation, and it is but reasonable to demand of the Government research staff a feasible method of doing that much."

3

The National Stockman and Farmer (Pennsylvania edition) for October 27 says in an editorial: "Three years ago we ventured to suggest that the dairy industry is entitled to a bureau in the United States Department of Agriculture. There is a Dairy Division of the Bureau of Animal Industry, but that is not a sound form of administration as our agricultural colleges have learned by experience. Dairying is much more than a branch of animal industry or husbandry, and dairy work does not prosper best in connection with a department or bureau which is and should be devoted mainly to something else. A bureau of dairying in the Department of Agriculture is just as sound policy as a department of dairying in an agricultural college. Let's have it."

Section 4.
MARKET QUOTATIONS

Farm Products

Oct. 30: Average cash grain prices Oct.30: No.2 hard winter wheat Chicago, \$1.07 1/2; No.1 dark northern wheat, Minneapolis \$1.13 to \$1.28; No.2 mixed corn Chicago, 92 1/2¢ to 95 1/2¢; No.2 yellow 93¢ to 99 1/2¢; No.3 white oats Chicago 41 1/2 to 43¢.

Chicago prices: Hogs, top \$7.65; bulk of sales \$7.10 to \$7.50; medium and good beef steers \$7.75 to \$11.35; butcher cows and heifers \$3.25 to \$10.75; feeder steers \$4.25 to \$7.75; veal calves \$7.25 to \$10.75; fat lambs \$11.25 to \$13.50.

New York potatoes, Round Whites \$1.75 to \$1.90 sacked and bulk per 100 lbs. eastern markets, \$1.45 to \$1.50 f.o.b. Maine Green Mountains mostly \$1.80 to \$1.95. Zero weather at St. Anthony, Idaho, is reported to have caused serious damage to potatoes still in the ground, estimated at about one fourth of the crop. Eastern shore of Virginia sweet potatoes, yellow varieties \$3 to \$3.50 per barrel city markets, top of \$4 in Chicago. New York cabbage, Danish type, \$25 to \$30 bulk per ton, \$15 to \$17 f.o.b. New York and Massachusetts onions \$3 to \$3.50 sacked per 100 lbs. eastern markets, \$2.75 to \$3 f.o.b. Eastern apples, Baldwins, \$4.75 to \$5 per barrel in Philadelphia. Northwestern Extra Fancy Jonathans \$1.75 to \$2 per box leading markets.

Spot cotton prices declined 1 point, closing at 30.29¢ per lb. New York December future contracts up 4 points, closing at 30.79¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Oct.30,	Oct.29,	Oct.30,1922
	20 Industrials	85.91	86.20	96.11
	20 R.R. stocks	77.67	77.86	89.25

(Wall St. Jour., Oct.31.)

